



STATE OF ARIZONA

JANICE K. BREWER  
GOVERNOR

EXECUTIVE OFFICE

July 1, 2009

The Honorable Ken Bennett  
Secretary of State  
Executive Tower, 7<sup>th</sup> Floor  
1700 West Washington  
Phoenix, AZ 85007

Dear Secretary of State Bennett:

Today I signed House Bill 2643, the "trailer" bill making revisions to Senate Bill 1188, the General Appropriations Act for FY 2009-10.

My signature on the bill, setting aside the line item actions I have taken, reflects my view that a shutdown of government services is not in the best interests of our State and its citizens. This bill reflects many improvements over Senate Bill 1188 but there are too many inadequacies in light of the legislature's failure to provide a comprehensive solution to the State's FY 2009-10 fiscal crisis. By refusing to turn over all the budget bills until early on July 1, 2009, I have been unable to express my concerns using my Constitutional powers in a timeframe in which a complete FY 2010 package could have been adopted. As a result, I am forced to cobble together a resolution that contains flaws, but is superior to Senate Bill 1188 or House Bill 2643 taken independently.

My line item vetoes and brief explanations follow:

A. Excessive Lump Sum Reductions

1. Department of Economic Security  
Page 38, lines 6-25
2. Department of Environmental Quality
  - a. Page 46, lines 29-43
  - b. Page 47, lines 1-14
3. Department of Health Services  
Page 61, lines 19-34
4. Universities  
Page 78, lines 20-39
5. Department of Economy Security  
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B. Underfunded K-12 Budget. I have stated throughout my time in office that I am unwilling to agree to a K-12 Budget that does not adequately meet the needs of



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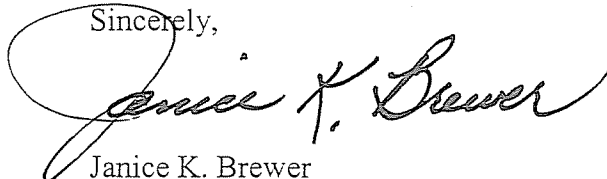
- C. Inappropriate and Excessive Tax Distribution Change: I am vetoing the transfer of \$43,170,600 in VLT monies to the State General Fund which is being done instead of the normal distribution to the State Highway Fund.

Page 94, lines 1-9

- D. Legislative Attempts to Appropriate Federal Funds. These actions do not fall within the authority of the Legislature.

1. Page 26, lines 38-42
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3. Page 32, lines 24-28  
Page 32, lines 35-39
4. Page 35, lines 41-45
5. Page 56, lines 13-17
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Sincerely,



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cc: The Honorable Robert Burns  
The Honorable Kirk Adams

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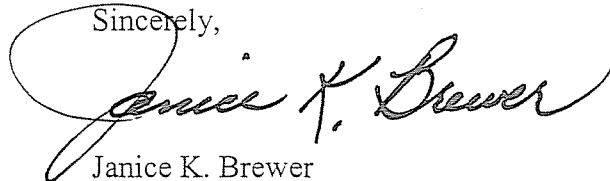
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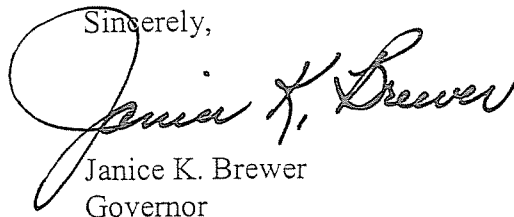
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The Honorable Russell Pearce

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July 1, 2009

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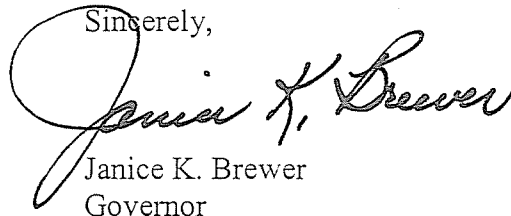
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Sincerely,

A handwritten signature in black ink, appearing to read "Janice K. Brewer". The signature is fluid and cursive, with the first name "Janice" being the most prominent part.

Janice K. Brewer  
Governor

cc: The Honorable Robert Burns  
The Honorable John Kavanagh  
The Honorable Russell Pearce

Passed the House June 30, 20 09

by the following vote: 33 Ayes,

26 Nays, 1 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

Passed the Senate July 1, 20 09

by the following vote: 16 Ayes,

12 Nays, 2 Not Voting

[Signature]  
President of the Senate

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

1<sup>st</sup> day of July, 20 09

at 8:09 o'clock A. M.

[Signature]  
Secretary to the Governor

Approved this 1<sup>st</sup> day of

July

at 11:07 o'clock A. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

H.B. 2643

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
First Regular Session  
2009

## HOUSE BILL 2643

### AN ACT

AMENDING LAWS 2004, CHAPTER 275, SECTION 67; AMENDING LAWS 2006, CHAPTER 345, SECTION 7, AS AMENDED BY LAWS 2008, CHAPTER 53, SECTION 29 AND LAWS 2009, FIRST SPECIAL SESSION, CHAPTER 2, SECTION 1; AMENDING LAWS 2009, CHAPTER 5, SECTION 1; AMENDING SENATE BILL 1188, SECTIONS 5, 7, 10, 12, 14, 19, 20, 21, 22, 23, 24, 27, 31, 32, 33, 34, 35, 36, 39, 41, 44, 45, 46, 47, 52, 53, 55, 59, 60, 73, 74, 83, 84, 91, 92, 93, 95, 97, 105, 109, 110, 112, 113, 120, 121, 122, 124, 125, 126 AND 132, FORTY-NINTH LEGISLATURE, FIRST REGULAR SESSION, AS TRANSMITTED TO THE GOVERNOR; RELATING TO MAKING TRANSFERS AND APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Laws 2004, chapter 275, section 67 is amended to read:

3 Sec. 67. Fiscal year 2004-2005 conditional appropriations

4 A. State general fund revenue for fiscal year 2003-2004, not including  
5 the beginning balance and including one-time revenues, is forecasted to be  
6 \$6,548,821,000. The state general fund revenue forecast for fiscal year  
7 2003-2004 includes \$2,644,100 from judicial collections as part of one-time  
8 revenue and \$129,830,200 for disproportionate share revenue. The staff  
9 director of the joint legislative budget committee and the governor's office  
10 of strategic planning and budgeting may adjust the state general fund revenue  
11 forecast for fiscal year 2003-2004 to reflect changes in the actual amount of  
12 judicial collections and disproportionate share revenue.

13 B. State general fund revenue for fiscal year 2004-2005, not including  
14 the beginning balance and including one-time revenues, is forecasted to be  
15 \$7,115,223,800. The state general fund revenue for fiscal year 2004-2005  
16 includes as one-time revenue: \$11,700,000 from fund transfers enacted in  
17 previous legislative sessions, \$32,034,500 from the anticipated enactment of  
18 fund transfers by the forty-sixth legislature, second regular session,  
19 \$118,000,000 from the anticipated enactment of a vehicle license tax transfer  
20 by the forty-sixth legislature, second regular session and \$76,000,000 from  
21 the anticipated enactment of adjustments to income tax withholding rates by  
22 the forty-sixth legislature, second regular session. The state general fund  
23 revenue forecast for fiscal year 2004-2005 also includes \$111,447,400 for  
24 disproportionate share revenue. The staff director of the joint legislative  
25 budget committee and the governor's office of strategic planning and  
26 budgeting may adjust the state general fund revenue forecast for fiscal year  
27 2004-2005 to reflect changes in disproportionate share revenue. The state  
28 general fund revenue estimates do not include any transfers from the school  
29 facilities board building renewal fund to the state general fund that may be  
30 enacted by the forty-sixth legislature, second regular session.

31 C. If, as determined by the staff director of the joint legislative  
32 budget committee and the governor's office of strategic planning and  
33 budgeting pursuant to subsections F, G, H and I of this section, the actual  
34 state general fund revenue from fiscal year 2003-2004 and fiscal year  
35 2004-2005 combined, exceeds the forecast by \$50,000,000 or more, the sum of  
36 \$50,000,000 is appropriated from the state general fund for fiscal year  
37 2004-2005 as follows:

38 1. To the school facilities board, \$30,000,000 for building renewal.  
39 2. To the department of economic security, \$5,000,000 for child care.  
40 3. \$15,000,000 for the employer share of state employee health  
41 insurance premiums. The joint legislative budget committee staff shall  
42 determine and the department of administration shall allocate to each  
43 agency's or department's employee related expenditures an amount sufficient  
44 for the employer share of the employee health insurance increase. The joint  
45 legislative budget committee staff shall also determine and the department of

1 administration shall allocate adjustments, as necessary, in expenditure  
2 authority to allow implementation of state employee health insurance  
3 adjustments.

4 D. If the appropriations listed in subsection C of this section occur  
5 and the actual state general fund revenue from fiscal year 2003-2004 and  
6 fiscal year 2004-2005 combined, as reported pursuant to subsections G, H and  
7 I of this section exceeds the forecast by \$102,000,000 or more, in addition  
8 to the appropriations in subsection C of this section, the sum of \$52,000,000  
9 is appropriated from the state general fund for fiscal year 2004-2005 as  
10 follows:

11 1. To the school facilities board, \$10,000,000 for building renewal.

12 2. \$8,000,000 for the employer share of state employee health  
13 insurance premiums. The joint legislative budget committee staff shall  
14 determine and the department of administration shall allocate to each  
15 agency's or department's employee related expenditures an amount sufficient  
16 for the employer share of the employee health insurance increase. The joint  
17 legislative budget committee staff shall also determine and the department of  
18 administration shall allocate adjustments, as necessary, in expenditure  
19 authority to allow implementation of state employee health insurance  
20 adjustments.

21 3. \$6,000,000 to the budget stabilization fund established by section  
22 35-144, Arizona Revised Statutes.

23 4. \$25,000,000 to the school facilities board deficiencies correction  
24 fund. If these monies are appropriated and Laws 2003, chapter 264, sections  
25 22, 23 and 35 are amended to authorize school trust revenue bonds for fiscal  
26 year 2004-2005 by the forty-sixth legislature, second regular session and  
27 those amendments become law and the school facilities board has not issued  
28 bonds pursuant to that authorization, that authorization shall not be  
29 exercised. If the school facilities board has issued bonds pursuant to that  
30 authorization, no appropriation shall be made to the deficiencies correction  
31 fund pursuant to this paragraph.

32 5. \$3,000,000 to the department of public safety for public safety  
33 communications systems to address interoperability issues. This  
34 appropriation to the department of public safety is exempt from the  
35 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing  
36 of appropriations, EXCEPT THAT ON THE EFFECTIVE DATE OF THIS AMENDMENT TO  
37 THIS SECTION, \$358,500 SHALL REVERT TO THE STATE GENERAL FUND.

38 E. If the appropriations listed in subsections C and D of this section  
39 occur, any forecast amounts above the actual state general fund revenue from  
40 fiscal year 2003-2004 and fiscal year 2004-2005 combined, as reported  
41 pursuant to subsections G, H and I of this section that exceed the forecast  
42 by \$102,000,000 shall be distributed in fiscal year 2004-2005 as follows:

43 1. Fifty per cent to the state general fund.

44 2. Fifty per cent to the budget stabilization fund established by  
45 section 35-144, Arizona Revised Statutes.



1 F. On or before July 26, 2004, the staff director of the joint  
2 legislative budget committee and the governor's office of strategic planning  
3 and budgeting shall agree on a monthly forecast for fiscal year 2004-2005  
4 state general fund revenue through December 31, 2004. After July 26, 2004,  
5 the staff director of the joint legislative budget committee and the  
6 governor's office of strategic planning and budgeting may jointly agree to  
7 adjust the monthly revenue forecast to reflect technical revisions.

8 G. On or before July 31, 2004, the staff director of the joint  
9 legislative budget committee and the governor's office of strategic planning  
10 and budgeting shall jointly notify the governor, the president of the senate  
11 and the speaker of the house of representatives whether the total fiscal year  
12 2003-2004 state general fund revenue, excluding the beginning balance,  
13 exceeded the fiscal year 2003-2004 forecast, and, if so, the total revenue  
14 amount and the amount above the forecast.

15 H. On or before December 10, 2004, the staff director of the joint  
16 legislative budget committee and the governor's office of strategic planning  
17 and budgeting shall jointly notify the governor, the president of the senate  
18 and the speaker of the house of representatives whether actual fiscal year  
19 2004-2005 state general fund revenue through October 31, 2004, excluding the  
20 beginning balance, exceeded the aggregate monthly forecast through October  
21 31, 2004 and, if so, the total revenue amount and the amount above the  
22 forecast.

23 I. On or before February 11, 2005, the staff director of the joint  
24 legislative budget committee and the governor's office of strategic planning  
25 and budgeting shall jointly notify the governor, the president of the senate  
26 and the speaker of the house of representatives whether actual fiscal year  
27 2004-2005 state general fund revenue through December 31, 2004, excluding the  
28 beginning balance, exceeded the aggregate monthly forecast through December  
29 31, 2004 and, if so, the total revenue amount and the amount above the  
30 forecast.

31 J. If the state general fund revenue amounts above the forecast that  
32 are reported pursuant to subsections G, H and I of this section, alone or in  
33 combination, exceed the amounts specified in subsection C, D or E of this  
34 section, ten days after the previous reporting date, the governor shall issue  
35 a public notice stating the amounts appropriated from the state general fund  
36 at the levels indicated and for the purposes provided.

37 Sec. 2. Laws 2006, chapter 345, section 7, as amended by Laws 2008,  
38 chapter 53, section 29 and Laws 2009, first special session, chapter 2,  
39 section 1, is amended to read:

40 Sec. 7. Appropriations and distributions; microwave  
41 communications system; department of public safety;  
42 report; reversion

43 A. The sum of \$1,500,000 is appropriated from the state general fund  
44 in fiscal year 2006-2007, the sum of \$1,000,000 is appropriated in fiscal  
45 year 2007-2008 and the sum of \$1,250,000 is appropriated in fiscal year

1 2008-2009 to the department of public safety for the design, construction and  
2 implementation of a microwave communications system upgrade.

3 B. The sum of \$826,000 is appropriated from the state highway fund in  
4 each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the department  
5 of transportation for distribution to the department of public safety for the  
6 design, construction and implementation of a microwave communications system  
7 upgrade.

8 C. The sum of \$207,000 is appropriated from the game and fish fund in  
9 each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the game and  
10 fish department for distribution to the department of public safety for the  
11 design, construction and implementation of a microwave communications system  
12 upgrade.

13 D. The department of public safety shall submit an expenditure plan  
14 and project timeline to the joint legislative budget committee for review  
15 before expending any monies appropriated for the microwave communications  
16 system upgrade. The submission shall include the results of the project  
17 investment justification approval by the information technology authorization  
18 committee. The department of public safety shall submit a report to the  
19 joint legislative budget committee for review regarding expenditures and  
20 progress by December 31, 2006 and June 30, 2007.

21 E. It is the intent of the legislature that \$1,600,000 of federal  
22 homeland security monies be distributed in each of the fiscal years  
23 2006-2007, 2007-2008 and 2008-2009 to fund the department of public safety  
24 microwave communications system upgrade.

25 F. Of the appropriations made in this section for the microwave  
26 communications system, the department of public safety may use up to \$295,600  
27 annually for up to 4 FTE positions to provide project management.

28 G. OF THE APPROPRIATIONS MADE IN SUBSECTION A, \$1,679,000 REVERTS TO  
29 THE STATE GENERAL FUND ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS  
30 SECTION.

31 Sec. 3. Laws 2009, chapter 5, section 1 is amended to read:

32 Section 1. Arizona board of regents; support and maintenance;  
33 supplemental appropriation reduction; transfer;  
34 appropriation

35 A. In addition to the reductions made pursuant to Laws 2009, first  
36 special session, chapter 1, section 3, the sum of \$100,000,000 is reduced  
37 from the appropriation made from the state general fund in fiscal year  
38 2008-2009 to the Arizona board of regents for the support and maintenance of  
39 institutions under its jurisdiction and IS DEFERRED TO PAYMENT IN FISCAL YEAR  
40 2009-2010. THIS AMOUNT is transferred to the state general fund. The  
41 Arizona board of regents shall reduce funding to the institutions under its  
42 jurisdiction in proportion to the state general fund appropriation received  
43 by each institution.

44 B. In addition to any other amounts appropriated to the Arizona board  
45 of regents for fiscal year 2009-2010, the sum of \$100,000,000 is appropriated

from the state general fund in fiscal year 2009-2010 to the Arizona board of regents to be distributed for the support and maintenance of institutions under its jurisdiction ~~in two equal payments on or before August 1, 2009 and September 1, 2009. The Arizona board of regents shall distribute the monies appropriated in this subsection to the institutions under its jurisdiction~~ FOR PAYMENTS DEFERRED FROM FISCAL YEAR 2008-2009. THE DEPARTMENT OF ADMINISTRATION SHALL DISTRIBUTE THESE MONIES NO LATER THAN OCTOBER 1, 2009. THE DISTRIBUTION SHALL OCCUR in an amount equal to the reduction made pursuant to subsection A of this section.

Sec. 4. Senate Bill 1188, section 5, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 5. BOARD OF ACCOUNTANCY

	<u>2009-10</u>
FTE positions	13.0
Lump sum appropriation	<del>\$ 2,350,100</del>
	\$ 1,892,100
Fund sources:	
Board of accountancy fund	<del>\$ 2,350,100</del>
	\$ 1,892,100
Performance measures:	
Average calendar days to resolve a complaint	180
Average calendar days to renew a license	1
Customer satisfaction rating (Scale 1-8)	7.0

Sec. 5. Senate Bill 1188, section 7, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 7. DEPARTMENT OF ADMINISTRATION

	<u>2009-10</u>
<u>State general fund</u>	
FTE positions	228.8
Operating lump sum appropriation	\$ 19,214,300
ENSCO	2,867,300
County attorney immigration enforcement	2,430,000
Arizona financial information system	1,120,500
Statewide telecommunications management contract lease payment	851,800
Utilities	625,700
Lump sum reduction	<del>(9,897,700)</del>
	(8,066,100)
Total - general fund	<del>\$ 17,211,900</del>
	\$ 19,043,500

1 Performance measures:

2 Per cent of ADOA services receiving a good	
3 (6) or better rating from customers,	
4 based on annual survey (Scale 1-8)	85
5 Per cent of procurement plan award dates	
6 met for the RFP process	77
7 Customer satisfaction with establishing	
8 contracts (Scale 1-8)	6.9
9 Customer satisfaction with administering	
10 contracts (Scale 1-8)	6.7
11 Customer satisfaction rating for the	
12 operation of AFIS (Scale 1-8)	7.5
13 Average capitol police response time to	
14 emergency calls (in minutes and seconds)	1:52

15 The department may collect an amount of not to exceed \$1,762,600 from  
 16 other funding sources, excluding federal funds, to recover pro rata costs of  
 17 operating AFIS II. Any amounts left unspent from the Arizona financial  
 18 information system line item shall revert to the state general fund.

19 The \$2,430,000 appropriated to the county attorney immigration  
 20 enforcement line item shall be distributed as follows: \$1,430,000 to each  
 21 county attorney of a county in this state with a population of one million  
 22 five hundred thousand or more persons and \$500,000 to each county attorney of  
 23 a county in this state with a population of eight hundred thousand or more  
 24 persons but less than one million five hundred thousand persons, and the  
 25 remainder of the monies shall be distributed as equally as possible to each  
 26 county attorney of counties in this state with a population of less than  
 27 eight hundred thousand persons. County attorneys may enter into agreements  
 28 with county sheriffs or other law enforcement agencies or jurisdictions for  
 29 the purposes of implementing section 23-212, Arizona Revised Statutes. These  
 30 appropriations are exempt from the provisions of section 35-190, Arizona  
 31 Revised Statutes, relating to lapsing of appropriations.

32 Air quality fund

33 Lump sum appropriation	\$ 850,100
34 Lump sum reduction	<u>(85,000)</u>
35 Total - air quality fund	\$ 765,100

36 Performance measures:

37 Customer satisfaction with all travel	
38 reduction services (Scale 1-8)	6.7

39 The amounts appropriated for the state employee transportation service  
 40 subsidy shall be used for up to a one hundred per cent subsidy of charges  
 41 payable for transportation service expenses as provided in section 41-786,  
 42 Arizona Revised Statutes, of nonuniversity state employees in a vehicle  
 43 emissions control area as defined in section 49-541, Arizona Revised  
 44 Statutes, of a county with a population of more than four hundred thousand  
 45 persons.

1	Performance measures:	
2	Customer satisfaction rating for the wide area	
3	network (MAGNET) (Scale 1-8)	6.4
4	Customer satisfaction rating for statewide	
5	telecommunications management contract	
6	services (Scale 1-8)	6.0
7	<u>Telecommunications fund -</u>	
8	<u>infrastructure improvements</u>	
9	<u>account</u>	
10	Lump sum appropriation	\$ 4,713,700
11	<u>Automation operations fund</u>	
12	FTE positions	152.4
13	Lump sum appropriation	\$ 24,087,500
14	Lump sum reduction	<u>(3,401,500)</u>
15	Total - automation operations fund	\$ 20,686,000
16	Performance measures:	
17	Customer satisfaction rating for mainframe	
18	services based on annual survey (Scale 1-8)	7.0
19	The appropriation for the automation operations fund is an estimate	
20	representing all monies, including balance forward, revenue and transfers	
21	during fiscal year 2009-2010. These monies are appropriated to the	
22	department of administration for the purposes established in section 41-711,	
23	Arizona Revised Statutes. The appropriation shall be adjusted as necessary	
24	to reflect receipts credited to the automation operations fund for automation	
25	operation center projects. Expenditures for all additional automation	
26	operation center projects above the \$24,087,500 appropriation shall be	
27	subject to review by the joint legislative budget committee, following	
28	approval of the government information technology agency. Expenditures for	
29	each additional project shall not exceed the specific revenues of that	
30	project.	
31	<u>Risk management fund</u>	
32	FTE positions	96.0
33	Operating lump sum appropriation	\$ 8,729,900
34	Risk management losses and premiums	45,371,300
35	Workers' compensation losses and	
36	premiums	30,112,300
37	External legal services	5,592,200
38	Nonlegal related expenditures	3,153,900
39	Lump sum reduction	<u>(581,300)</u>
40	Total - risk management fund	\$ 92,378,300
41	Performance measures:	
42	Workers' compensation incidence rates/100	
43	FTE positions	4.1
44	Customer satisfaction with self-insurance	
45	(Scale 1-8)	7.5

1	<u>Personnel division fund</u>	
2	FTE positions	124.0
3	Operating lump sum appropriation	\$ 14,064,000
4	Human resources information solution	
5	certificate of participation	4,354,000
6	Lump sum reduction	<u>(2,628,700)</u>
7	Total - personnel division fund	\$ 15,789,300
8	Performance measures:	
9	Customer satisfaction with employee training	
10	(Scale 1-8)	6.1
11	<u>Special employee health insurance</u>	
12	<u>trust fund</u>	
13	FTE positions	39.0
14	Operating lump sum appropriation	\$ 5,187,300
15	Employee wellness program	300,000
16	Lump sum reduction	<u>(251,100)</u>
17	Total - special employee health	
18	insurance trust fund	\$ 5,236,200
19	Performance measures:	
20	Customer satisfaction with benefit plans	
21	(Scale 1-8)	6.2
22	<u>State surplus materials revolving</u>	
23	<u>fund</u>	
24	FTE positions	16.0
25	Operating lump sum appropriation	\$ 1,258,000
26	State surplus property sales	
27	proceeds	3,000,000
28	Lump sum reduction	<u>(488,000)</u>
29	Total - state surplus materials	
30	revolving fund	\$ 3,770,000
31	<u>Federal surplus materials revolving</u>	
32	<u>fund</u>	
33	FTE positions	7.0
34	Lump sum appropriation	\$ 449,300
35	Total appropriation - department of	
36	administration	<del>\$191,479,800</del>
37		\$194,928,300
38	Fund sources:	
39	State general fund	<del>\$ 17,211,900</del>
40		\$ 19,043,500
41	Other appropriated funds	<del>174,267,900</del>
42		175,884,800

Sec. 6. Senate Bill 1188, section 10, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

## Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

2009-10

## Administration

FTE positions	3,044.4
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Operating lump sum appropriation	\$ 70,082,400
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DOA data center charges	5,717,500
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Indian advisory council	232,900
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DES eligibility	55,688,300
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DES title XIX pass-through	357,800
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Healthcare group administration

and reinsurance	6,164,900
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Office of administrative hearings	271,300
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KidsCare - administration	<del>6,690,900</del>
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7,359,700

Proposition 204 - AHCCCS

administration	9,402,900
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Proposition 204 - DES

eligibility	<u>43,585,700</u>
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Total appropriation and expenditure

authority - administration ~~\$198,194,600~~

\$198,863,400

Fund sources:

State general fund	<del>\$ 85,207,000</del>
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\$ 85,367,300

Budget neutrality compliance

fund	2,993,500
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Children's health insurance

program fund	<del>5,087,100</del>
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5,595,600

Health care group fund	6,164,900
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98,742,100

Performance measures:

Per cent of applications processed on time	95
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Customer satisfaction rating for eligibility

determination clients (Scale 1-8)	7.0
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The amounts appropriated for the department of economic security eligibility line item shall be used for intergovernmental agreements with the department of economic security for the purpose of eligibility determination and other functions. The general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.

1	<u>Acute care</u>	
2	Capitation	<del>\$2,391,405,000</del>
3		\$2,418,280,900
4	Reinsurance	129,621,800
5	Fee-for-service	<del>514,455,500</del>
6		522,776,700
7	Medicare premiums	104,550,000
8	Graduate medical education	42,075,300
9	<del>Dual eligible part D copay subsidy</del>	<del>1,029,700</del>
10	Disproportionate share payments	30,350,000
11	Critical access hospitals	1,700,000
12	Breast and cervical cancer	1,699,600
13	Ticket to work	6,944,300
14	Proposition 204 - capitation	2,146,078,300
15	Proposition 204 - reinsurance	<del>81,730,000</del>
16		87,601,900
17	Proposition 204 - fee-for-service	<del>209,821,500</del>
18		230,551,400
19	Proposition 204 - medicare	
20	premiums	33,051,400
21	Proposition 204 - county hold	
22	harmless	4,825,600
23	KidsCare - children	<del>119,507,800</del>
24		134,516,500
25	KIDSCARE - PARENTS	6,967,500
26	Rural hospital reimbursement	12,158,100
27	Medicare clawback payments	<u>31,925,600</u>
28	Total appropriation and expenditure	
29	authority - acute care	<del>\$5,862,929,500</del>
30		\$5,945,674,900
31	Fund sources:	
32	State general fund	<del>\$1,611,099,400</del>
33		\$1,636,284,700
34	Children's health insurance	
35	program fund	<del>92,621,900</del>
36		109,330,200
37	Tobacco tax and health care	
38	fund - medically needy	
39	account	53,738,100
40	Tobacco products tax fund -	
41	emergency health services	
42	account	23,331,800
43	Expenditure authority	<del>4,082,138,300</del>
44		4,122,990,100



## 1 Performance measures:

2 Per cent of AHCCCS children receiving well  
 3 child visits in the first  
 4 15 months of life (EPSDT)

60

5 Per cent of AHCCCS children's access to  
 6 primary care provider

85

7 Per cent of AHCCCS women receiving annual  
 8 cervical screening

60

9 Member satisfaction as measured by  
 10 percentage of enrollees that choose  
 11 to change health plans

2.0

12 The \$30,350,000 appropriation for disproportionate share payments for  
 13 fiscal year 2009-2010 made pursuant to section 36-2903.01, subsection P,  
 14 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county health  
 15 care district and \$26,147,700 for private qualifying disproportionate share  
 16 hospitals.

17 Of the \$4,825,600 appropriated for the proposition 204 county hold  
 18 harmless line item, \$234,200 is allocated to Graham county, \$3,817,800 to  
 19 Pima county, \$234,400 to Greenlee county, \$159,700 to La Paz county, \$214,800  
 20 to Santa Cruz county and \$164,700 to Yavapai county to offset a net loss in  
 21 revenue due to the implementation of proposition 204, and shall be used for  
 22 indigent health care costs.

23 Long-term care

24 Program lump sum appropriation \$1,266,710,000

25 Medicare clawback payments 22,956,300

26 ~~Dual eligible part D copay~~  
 27 ~~subsidy~~

470,300

28 Board of nursing 209,700

29 Total appropriation and expenditure  
 30 authority - long-term care

~~\$1,290,346,300~~

31 \$1,289,876,000

## 32 Fund sources:

33 State general fund ~~\$ 181,129,200~~

34 \$ 180,658,900

35 Expenditure authority 1,109,217,100

## 36 Performance measures:

37 Per cent of members utilizing home and  
 38 community based services (HCBS)

67

39 Per cent of ALTCS eligibility as measured by  
 40 quality control sample

99

41 Any federal funds that the Arizona health care cost containment system  
 42 administration passes through to the department of economic security for use  
 43 in long-term administration care for the developmentally disabled shall not  
 44 count against the long-term care expenditure authority above.

The county portion of the fiscal year 2009-2010 nonfederal portion of the costs of providing long-term care system services is included in the expenditure authority fund source.

Agencywide lump sum reduction	<del>\$(27,054,200)</del>
	\$ (23,508,000)
Fund sources:	
State general fund	<del>\$(16,381,000)</del>
	\$ (16,850,500)
Expenditure authority	<del>(10,673,200)</del>
	(6,657,500)
Lump sum reduction deferral	\$(344,201,700)
Fund sources:	
State general fund	\$(117,889,100)
Expenditure authority	(226,312,600)
Total appropriation and expenditure authority - Arizona health care cost containment system	<u>\$6,980,214,500</u>
	\$7,066,704,600
Appropriated fund sources:	
State general fund	<del>\$1,743,165,500</del>
	\$1,767,571,300
Children's health insurance program fund	<del>97,709,000</del>
	114,925,800
Budget neutrality compliance fund	2,993,500
Health care group fund	6,164,900
Tobacco products tax fund - emergency health services account	23,331,800
Tobacco tax and health care fund - medically needy account	53,738,100
Expenditure authority	<del>\$5,053,111,700</del>
	\$5,097,979,200

Performance measures:

Per cent of people under age 65 that are uninsured

18

Before making fee-for-service program or rate changes that pertain to fee-for-service rate categories, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee.

The Arizona health care cost containment system administration shall report to the joint legislative budget committee by March 1 of each year on the preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to

maximum shall be no more than two per cent. Before implementation of any changes in capitation rates, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee. Before the administration implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the administration shall submit the policy changes for review by the joint legislative budget committee.

The lump sum reduction may not be taken against the appropriation made for rural hospital reimbursement.

It is the intent of the legislature that the Arizona health care cost containment system administration make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

Sec. 7. Senate Bill 1188, section 12, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 12. ARIZONA COMMISSION ON THE ARTS

	<u>2009-10</u>
FTE positions	10.5
Operating lump sum appropriation	\$ 667,700
Community service projects	1,263,100
Lump sum reduction	<del>(1,630,800)</del>
	<u>(974,700)</u>
Total appropriation - Arizona commission	
on the arts	<del>\$ 300,000</del>
	\$ 956,100
Fund sources:	
State general fund	<del>\$ 300,000</del>
	\$ 956,100

Performance measures:

Customer satisfaction rating (Scale 1-8)	7.5
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Sec. 8. Senate Bill 1188, section 14, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 14. AUTOMOBILE THEFT AUTHORITY

	<u>2009-10</u>
FTE positions	6.0
Lump sum appropriation	\$ 673,300
Automobile theft authority grants	5,293,400
Reimbursable programs	50,000
Lump sum reduction	<u>(40,600)</u>
Total appropriation - auto theft authority	\$ 5,976,100

1 Fund sources:

2 Automobile theft authority fund \$ 5,976,100

3 Performance measures:

4 Felony auto theft arrests by auto theft

5 task force 330

6 Per cent of stolen vehicles recovered

7 (calendar year) 67.0

8 Number of vehicles stolen statewide

9 (calendar year) 55,000

10 Customer satisfaction rating (Scale 1-3,

11 1 highest) 1.0

12 The automobile theft authority shall submit a report to the joint  
13 legislative budget committee for review before expending any monies for the  
14 reimbursable programs line item. The agency shall also show sufficient funds  
15 collected to cover the expenses indicated in the report.

16 Automobile theft authority grants shall be awarded with consideration  
17 given to areas with greater automobile theft problems and shall be used to  
18 combat economic automobile theft operations.

19 The automobile theft authority shall pay ~~eighty~~ SEVENTY-FIVE per cent  
20 of the personal services and employee related expenses for city and county  
21 sworn officers who participate in the Arizona vehicle theft task force.

22 Sec. 9. Senate Bill 1188, section 19, forty-ninth legislature, first  
23 regular session, as transmitted to the governor, is amended to read:

24 Sec. 19. STATE BOARD OF CHIROPRACTIC EXAMINERS

25 2009-10

26 FTE positions 5.0

27 Lump sum appropriation \$ 474,800

28 Fund sources:

29 Board of chiropractic examiners

30 fund \$ 474,800

31 Performance measures:

32 Average calendar days to renew a license 22

33 Per cent of complaints resolved within 180

34 days with no hearing required 23

35 Per cent of survey responses that indicate

36 that staff was knowledgeable and courteous

37 in public communications 100

38 ON OR BEFORE NOVEMBER 1, 2009, THE STATE BOARD OF CHIROPRACTIC  
39 EXAMINERS SHALL SUBMIT A REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE ON  
40 THE FISCAL YEAR 2008-2009 ENDING BALANCE AND PROJECTED FISCAL YEAR 2009-2010  
41 REVENUES AND EXPENDITURES BY MONTH, INCLUDING YEAR-TO-DATE ACTUALS, FOR THE  
42 BOARD OF CHIROPRACTIC EXAMINERS FUND. IT IS THE INTENT OF LEGISLATURE THAT  
43 THE BOARD HAVE SUFFICIENT RESOURCES TO CONTINUE ITS FISCAL YEAR 2009-2010  
44 OPERATING LEVEL THROUGH FISCAL YEAR 2010-2011.

1           Sec. 10. Senate Bill 1188, section 20, forty-ninth legislature, first  
2 regular session, as transmitted to the governor, is amended to read:

3       Sec. 20. DEPARTMENT OF COMMERCE

	<u>2009-10</u>
4           FTE positions	66.9
5           Operating lump sum appropriation	<del>\$ 4,289,900</del>
6	\$ 5,289,900
7	
8           Arizona trade office in Sonora	25,000
9           International trade offices	1,716,600
10          Economic development matching funds	104,000
11          Main street	130,000
12          REDI matching grants	45,000
13          Rural economic development	340,100
14          Advertising and promotion	659,200
15          CEDC commission	196,500
16          National law center/free trade	200,000
17          Oil overcharge administration	184,900
18          Minority and women owned business	129,600
19          Small business advocate	127,000
20          Apprenticeship services	189,900
21          Lump sum reduction	<del>(3,360,200)</del>
22	<u>(2,892,700)</u>
23       Total appropriation - department of	
24           commerce	<del>\$ 4,977,500</del>
25	\$ 6,445,000
26       Fund sources:	
27           State general fund	\$ 1,780,000
28           Bond fund	144,700
29           CEDC fund	<del>2,601,200</del>
30	4,068,700
31           Oil overcharge fund	184,900
32           State lottery fund	266,700
33       Performance measures:	
34           Number of workers trained	25,000
35           Per cent of job training fund monies	
36           distributed to small businesses	25
37           Customer satisfaction rating for business	
38           development program (percentage rating	
39           services as good or excellent)	88
40       Of the <del>\$2,601,200</del> \$4,068,700 appropriated from the CEDC fund in fiscal	
41       year 2009-2010, \$250,000 shall be utilized for implementation of	
42       cross-industry business/infrastructure development projects and related	
43       project coordination in support of regional technology councils and high	
44       technology clusters operating in Arizona.	

~~The department of commerce may use monies appropriated from the state general fund, bond fund, CEDC fund and state lottery fund to administer programs that attract and retain jobs in this state and to pay for associated direct, indirect and other costs.~~

Sec. 11. Senate Bill 1188, section 21, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 21. ARIZONA COMMUNITY COLLEGES

	<u>2009-10</u>
<u>Equalization aid</u>	
Cochise	\$ 7,841,800
Graham	17,465,400
Navajo	6,624,000
Yuma/La Paz	<u>2,938,300</u>
Total - equalization aid	\$ 34,869,500
<u>Operating state aid</u>	
Cochise	<del>\$ 7,430,300</del>
	\$ 7,488,700
Coconino	<del>2,678,500</del>
	2,679,400
Gila	<del>601,000</del>
	658,400
Graham	<del>4,350,000</del>
	4,243,900
Maricopa	<del>45,293,500</del>
	45,327,400
Mohave	<del>3,596,000</del>
	3,682,900
Navajo	<del>3,432,900</del>
	3,590,000
Pima	<del>15,826,700</del>
	15,942,100
Pinal	<del>4,939,000</del>
	4,935,100
Yavapai	<del>4,122,800</del>
	4,196,000
Yuma/La Paz	<del>4,799,600</del>
	<u>4,812,900</u>
Total - operating state aid	<del>\$ 97,070,300</del>
	\$ 97,556,800
Rural county reimbursement subsidy	<u>\$ 1,000,000</u>
Total appropriation - Arizona community colleges	<del>\$132,939,800</del>
	\$133,426,300

1 Fund sources:

2 State general fund ~~\$132,939,800~~  
 3 \$133,426,300

4 Performance measures:

5 Number of applied baccalaureate programs  
 6 collaboratively developed with universities 13

7 Of the \$1,000,000 appropriated to the rural county reimbursement  
 8 subsidy line item, Apache county will receive \$523,500, Greenlee county  
 9 \$188,700 and Santa Cruz county \$287,800.

10 The appropriated monies shall not be used to implement the centennial  
 11 scholars program.

12 Sec. 12. Senate Bill 1188, section 22, forty-ninth legislature, first  
 13 regular session, as transmitted to the governor, is amended to read:

14 Sec. 22. REGISTRAR OF CONTRACTORS

	<u>2009-10</u>
15 FTE positions	144.8
16 Operating lump sum appropriation	\$ 10,524,500
17 Office of administrative hearings	
18 costs	1,002,300
19 Incentive pay	<u>113,700</u>
20 Information management system	<u>506,500</u>
21 <del>Lump sum reduction</del>	<del>(1,912,400)</del>

22  
 23 Total appropriation - registrar of  
 24 contractors ~~\$ 10,234,600~~  
 25 \$ 12,147,000

26 Fund sources:

27 Registrar of contractors fund ~~\$ 10,234,600~~  
 28 \$ 12,147,000

29 Performance measures:

30 Average calendar days from receipt of  
 31 complaint to jobsite inspection 25

32 Per cent of licensing customers indicating  
 33 they received excellent service 93

34 Per cent of inspections customers indicating  
 35 they received excellent service 89

36 Any transfer to or from the amount appropriated for the office of  
 37 administrative hearings costs line item shall require review by the joint  
 38 legislative budget committee.

39 Sec. 13. Senate Bill 1188, section 23, forty-ninth legislature, first  
 40 regular session, as transmitted to the governor, is amended to read:

41 Sec. 23. CORPORATION COMMISSION

	<u>2009-10</u>
42 FTE positions	308.3
43 Operating lump sum appropriation	\$ 27,782,900

1	Corporation filings, same day	
2	service	400,400
3	Utilities audits, studies,	
4	investigations and hearings	<u>380,000*</u>
5	Lump sum reduction	<del>(3,144,900)</del>
6		(1,165,700)
7	Total appropriation - corporation commission	<del>\$ 25,418,400</del>
8		\$ 27,397,600
9	Fund sources:	
10	State general fund	<del>\$ 3,794,900</del>
11		\$ 600,000
12	Arizona arts trust fund	51,100
13	Investment management regulatory	
14	and enforcement fund	762,200
15	Public access fund	<del>4,122,300</del>
16		6,770,400
17	Securities regulatory and	
18	enforcement fund	<del>3,258,400</del>
19		4,746,000
20	Utility regulation revolving fund	<del>13,429,500</del>
21		14,467,900

22 Performance measures:

23	Average turnaround time in days for processing	
24	of regular corporate filings	21.8
25	Average turnaround time in days for processing	
26	of expedited corporate filings	4
27	Number of months required to review applications	
28	received by securities division	1.5
29	Customer satisfaction rating for corporations	
30	program (Scale 1-8)	7.5

31 The \$400,400 appropriated from the public access fund for the  
 32 corporation filings, same day service line item shall revert to the public  
 33 access fund at the end of fiscal year 2009-2010 if the commission cannot  
 34 process all expedited services within five business days and all regular  
 35 services within thirty business days in accordance with sections 10-122,  
 36 10-3122 and 29-851, Arizona Revised Statutes.

37 The corporation commission corporations division shall provide a report  
 38 by the end of fiscal year 2009-2010 to the joint legislative budget committee  
 39 on the total number of filings received by the corporations division pursuant  
 40 to the services listed in sections 10-122, 10-3122 and 29-851, Arizona  
 41 Revised Statutes, the total number of filings processed by the corporations  
 42 division and the amount of time, in business days, to process each type of  
 43 service.



1       Sec. 14. Senate Bill 1188, section 24, forty-ninth legislature, first  
 2 regular session, as transmitted to the governor, is amended to read:

3       Sec. 24. DEPARTMENT OF CORRECTIONS

4		<u>2009-10</u>
5	FTE positions	9,755.9
6	Correctional officer personal services	<del>\$118,560,700</del>
7		\$253,646,500
8	Health care personal services	41,393,000
9	All other personal services	66,727,000
10	Employee-related expenditures	171,194,000
11	Personal services and employee-related	
12	expenditures for overtime/compensatory	
13	time	13,420,100
14	Health care all other operating	
15	expenditures	<del>90,274,400</del>
16		69,470,900
17	Non-health care all other operating	
18	expenditures	<u>125,866,200</u>
19	Total - operating budget	<del>\$627,435,400</del>
20		\$741,717,700
21	Fund sources:	
22	State general fund	<del>\$612,406,200</del>
23		\$727,767,700
24	State education fund for	
25	correctional education	580,200
26	Alcohol abuse treatment fund	599,300
27	<del>Penitentiary land fund</del>	<del>198,700</del>
28	State charitable, penal and	
29	reformatory institutions	
30	land fund	<del>1,240,500</del>
31		360,000
32	Corrections fund	380,500
33	Transition office fund	180,000
34	Transition program drug treatment	
35	fund	600,000
36	Prison construction and operations	
37	fund	11,250,000
38	County jail beds	\$ 866,200
39	Fund sources:	
40	State general fund	\$ 866,200
41	New state prison beds	\$ 16,064,100
42	Fund sources:	
43	State general fund	\$ 16,064,100
44	Private prison per diem	\$ 93,464,300

1	Fund sources:	
2	State general fund	<del>\$ 62,990,000</del>
3		\$ 64,790,000
4	Corrections fund	28,674,300
5	<del>Penitentiary land fund</del>	<del>1,000,000</del>
6	<del>Prison construction and</del>	
7	<del>operations fund</del>	800,000
8	Provisional beds	<del>\$103,549,800</del>
9		\$103,549,900
10	Fund sources:	
11	State general fund	<del>\$ 99,493,600</del>
12		\$101,388,900
13	Prison construction and	
14	operations fund	<del>3,000,000</del>
15		1,181,800
16	Penitentiary land fund	<del>1,056,200</del>
17		979,200
18	<del>Lump sum appropriation</del>	<del>\$185,085,800</del>
19	<del>Fund sources:</del>	
20	<del>Federal government services</del>	
21	<del>stabilization fund</del>	<del>\$ 185,085,800</del>
22	Lump sum reduction	<del>\$(25,922,500)</del>
23		\$(34,645,900)
24	Fund sources:	
25	State general fund	<del>\$(25,849,600)</del>
26		\$(34,573,000)
27	Corrections fund	(37,200)
28	State education fund for	
29	correctional education	(35,700)
30	Performance measures:	
31	Escapes from secure facilities	0
32	Number of inmates receiving GED	2,956
33	Number of inmate random positive	
34	urinalysis results	1,721
35	Twenty-five per cent of land earnings and interest from the state	
36	charitable, penal and reformatory institutions land fund shall be distributed	
37	to the state department of corrections in compliance with the enabling act	
38	and the Constitution of Arizona to be used for the support of state penal	
39	institutions.	
40	One hundred per cent of land earnings and interest from the	
41	penitentiary land fund shall be distributed to the state department of	
42	corrections in compliance with the enabling act and the Constitution of	
43	Arizona to be used for the support of state penal institutions.	

1 Before the expenditure of any state education fund for correctional  
2 education receipts in excess of \$544,500, the state department of corrections  
3 shall report the intended use of the monies to the director of the joint  
4 legislative budget committee.

5 Before altering its bed capacity by closing state-operated prison beds  
6 or canceling or not renewing contracts for privately-operated prison beds,  
7 the state department of corrections shall submit a bed plan detailing the  
8 proposed bed closures for review by the joint legislative budget committee.

9 The personal services and employee-related expenditures for  
10 overtime/compensatory time line item includes monies for personal services  
11 and employee-related expenditure costs from overtime and compensatory time  
12 payouts accrued by department employees in fiscal year 2009-2010.

13 Before placing any additional inmates in out-of-state provisional beds,  
14 the department shall place inmates in all available prison beds in facilities  
15 that are located in Arizona and that house Arizona inmates, unless the  
16 out-of-state provisional beds are of a comparable security level and price.

17 Any transfer to or from the amounts appropriated for county jail beds,  
18 new state prison beds, personal services and employee-related expenditures  
19 for overtime/compensatory time, private prison per diem or provisional beds  
20 line items shall require review by the joint legislative budget committee.

21 A monthly report comparing state department of corrections expenditures  
22 for the month and year-to-date as compared to prior year expenditures shall  
23 be forwarded to the president of the senate, the speaker of the house of  
24 representatives, the chairpersons of the senate and house of representatives  
25 appropriations committees and the director of the joint legislative budget  
26 committee by the thirtieth of the following month. The report shall include  
27 at least each line item of appropriation and the main components of all other  
28 operating expenditures. The report shall include an estimate of potential  
29 shortfalls, potential surpluses that may be available to offset these  
30 shortfalls and a plan, if necessary, for eliminating any shortfall without a  
31 supplemental appropriation.

32 State department of corrections personnel in the correctional officer  
33 series who receive a geographic stipend shall not retain the geographic  
34 stipend associated with that facility when transferring to other department  
35 facilities.

36 ~~It is the intent of the legislature that the personnel reduction of~~  
37 ~~\$12,267,700, included in the lump sum reduction special line item would be~~  
38 ~~achieved through attrition and, to the extent possible, not reduce the number~~  
39 ~~of filled correctional officer positions.~~

40 It is the intent of the legislature that the department contract with  
41 county jails for the purposes of housing inmates committed to the department  
42 if the county agrees to contract at a per diem rate that shall not exceed  
43 \$50.00.

IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010, \$50,000,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE STATE DEPARTMENT OF CORRECTIONS FOR CORRECTIONAL OFFICER PERSONAL SERVICES. THESE MONIES SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).

Sec. 15. Senate Bill 1188, section 27, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 27. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND  
2009-10

Administration/statewide

FTE positions	70.5
Lump sum appropriation	\$ 4,707,700

Fund sources:

State general fund	\$ 4,707,700
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Phoenix day school for the deaf

FTE positions	155.2
Operating lump sum appropriation	\$ 8,698,200
School bus replacement	738,000

Total - Phoenix day school for the deaf	\$ 9,436,200
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Fund sources:

State general fund	\$ 4,409,200
Arizona state schools for the deaf and the blind fund	5,027,000

Tucson campus

FTE positions	295.8
Lump sum appropriation	\$ 16,997,600

Fund sources:

State general fund	\$ 10,383,000
Arizona state schools for the deaf and the blind fund	6,614,600

Regional cooperatives

FTE positions	11.0
Lump sum appropriation	\$ 1,447,600

Fund sources:

State general fund	\$ 1,008,700
Arizona state schools for the deaf and the blind fund	438,900

Preschool/outreach programs

FTE positions	54.7
Lump sum appropriation	\$ 4,118,000

Fund sources:

State general fund	\$ 1,503,100
Arizona state schools for the deaf and the blind fund	2,614,900

1	<u>Lump sum reduction</u>	<del>\$(2,597,100)</del>
2		<del>\$(2,350,600)</del>
3	Fund sources:	
4	State general fund	<del>\$(2,597,100)</del>
5		<del>\$(2,350,600)</del>
6	Total appropriation - Arizona state schools	
7	for the deaf and the blind	<del>\$ 34,110,000</del>
8		\$ 34,356,500
9	Fund sources:	
10	State general fund	<del>\$ 19,414,600</del>
11		\$ 19,661,100
12	Arizona state schools for the	
13	deaf and the blind fund	14,695,400
14	Performance measures:	
15	Per cent of parents rating overall quality of	
16	services as "good" or "excellent" based	
17	on annual survey	98
18	Per cent of students in grade 5 meeting or	
19	exceeding state academic standards in:	
20	Reading	4
21	Writing	14
22	Math	0
23	Per cent of students in high school meeting or	
24	exceeding state academic standards in:	
25	Reading	28
26	Writing	28
27	Math	24
28	Before the expenditure of any Arizona state schools for the deaf and	
29	the blind fund monies in excess of \$14,695,400 in fiscal year 2009-2010, the	
30	joint legislative budget committee shall review the intended use of the	
31	funds.	
32	Sec. 16. Senate Bill 1188, section 31, forty-ninth legislature, first	
33	regular session, as transmitted to the governor, is amended to read:	
34	Sec. 31. DEPARTMENT OF ECONOMIC SECURITY	
35		<u>2009-10</u>
36	<u>Administration</u>	
37	FTE positions	302.5
38	Operating lump sum appropriation	\$ 33,342,400
39	Fund sources:	
40	State general fund	\$ 26,540,900
41	Federal child care and	
42	development fund block grant	823,600
43	Federal temporary assistance	
44	for needy families block grant	4,271,400

1	Public assistance collections	
2	fund	407,800
3	Spinal and head injuries trust	
4	fund	39,500
5	Statewide cost allocation plan	
6	fund	1,000,000
7	Federal Reed act grant	259,200
8	Finger imaging	\$ 738,800
9	Fund sources:	
10	State general fund	\$ 461,300
11	Federal temporary assistance	
12	for needy families block	
13	grant	277,500
14	Attorney general legal services	\$ 1,042,000
15	Fund sources:	
16	State general fund	\$ 747,900
17	Federal child care and development	
18	fund block grant	17,300
19	Federal temporary assistance for	
20	needy families block grant	168,000
21	Public assistance collections	
22	fund	108,800
23	Triagency disaster recovery	\$ 271,500
24	Fund sources:	
25	Risk management fund	\$ 271,500
26	In accordance with section 35-142.01, Arizona Revised Statutes, the	
27	department of economic security shall remit to the department of	
28	administration any monies received as reimbursement from the federal	
29	government or any other source for the operation of the department of	
30	economic security west building and any other building lease-purchased by the	
31	state of Arizona in which the department of economic security occupies space.	
32	The department of administration shall deposit these monies in the state	
33	general fund.	
34	In accordance with section 38-654, Arizona Revised Statutes, the	
35	department of economic security shall transfer to the department of	
36	administration for deposit in the special employee health insurance trust	
37	fund any unexpended state general fund monies at the end of each fiscal year	
38	appropriated for employer health insurance contributions.	
39	<u>Developmental disabilities</u>	
40	FTE positions	1,921.9
41	Operating lump sum appropriation	\$ 46,396,500
42	Fund sources:	
43	State general fund	\$ 17,883,400
44	Expenditure authority	28,513,100
45	Case management - title XIX	\$ 42,509,800

1	Fund sources:	
2	State general fund	\$ 14,471,500
3	Expenditure authority	28,038,300
4	Home and community based	
5	services - title XIX	<del>\$650,550,900</del>
6		\$671,950,900
7	Fund sources:	
8	State general fund	<del>\$226,852,000</del>
9		\$236,252,000
10	Expenditure authority	<del>423,698,900</del>
11		435,698,900
12	Institutional services - title XIX	\$ 15,873,000
13	Fund sources:	
14	State general fund	\$ 5,430,900
15	Expenditure authority	10,442,100
16	Medical services	\$142,813,300
17	Fund sources:	
18	State general fund	\$ 48,904,800
19	Expenditure authority	93,908,500
20	Arizona training program at	
21	Coolidge - title XIX	\$ 17,018,800
22	Fund sources:	
23	State general fund	\$ 5,783,200
24	Expenditure authority	11,235,600
25	Medicare clawback payments	\$ 2,456,100
26	Fund sources:	
27	State general fund	\$ 2,456,100
28	Case management - state-only	\$ 4,496,000
29	Fund sources:	
30	State general fund	\$ 4,496,000
31	Home and community based	
32	services - state-only	<del>\$ 36,697,500</del>
33		\$ 21,697,500
34	Fund sources:	
35	State general fund	<del>\$ 35,849,400</del>
36		\$ 20,849,400
37	Long-term care system fund	848,100

~~38 IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010,~~  
~~39 \$15,000,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE~~  
~~40 DEPARTMENT OF ECONOMIC SECURITY FOR STATE-ONLY HOME AND COMMUNITY-BASED~~  
~~41 SERVICES. THESE MONIES SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS~~  
~~42 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).~~

1	Institutional services - state-only	\$ 294,900
2	Fund sources:	
3	State general fund	\$ 294,900
4	Arizona training program at	
5	Coolidge - state-only	\$ 566,400
6	Fund sources:	
7	State general fund	\$ 566,400
8	State-funded long-term care	
9	services	\$ 26,383,300
10	Fund sources:	
11	State general fund	\$ 762,900
12	Long-term care system fund	25,620,400
13	Developmental disabilities non-title	
14	XIX reduction	<del>\$(7,459,100)</del>
15		\$(2,959,100)
16	Fund sources:	
17	State general fund	<del>\$(7,459,100)</del>
18		\$(2,959,100)
19	Autism training and oversight	\$ 200,000
20	Fund sources:	
21	Tobacco tax and healthcare -	
22	health research account	\$ 200,000
23	<del>Children's autism intensive</del>	
24	<del>behavioral treatment services</del>	<del>\$ 1,800,000</del>
25	<del>Fund sources:</del>	
26	<del>    State general fund</del>	<del>\$ 1,800,000</del>
27	<del>Children's autism intensive early</del>	
28	<del>intervention services for toddlers</del>	<del>\$ 500,000</del>
29	<del>Fund sources:</del>	
30	<del>    State general fund</del>	<del>\$ 500,000</del>
31	ARIZONA EARLY INTERVENTION PROGRAM	\$ 2,041,700
32	FUND SOURCES:	
33	STATE GENERAL FUND	\$ 2,041,700
34	Performance measures:	
35	Per cent of consumer satisfaction with	
36	case management services	99
37	Per cent of relatives and caregivers	
38	of consumers stating the services	
39	received meet the consumers needs	95
40	Per cent of relatives and caregivers	
41	of consumers satisfied with the	
42	providers and services received	95



1       It is the intent of the legislature that any available surplus monies  
2 for developmental disability programs be applied toward the waiting list,  
3 unless there are insufficient monies to annualize these costs in the  
4 subsequent year. The children's waiting list shall receive first priority.  
5 The amount appropriated for developmental disabilities shall be used to  
6 provide for services for nontitle XIX eligible clients. The amount shall not  
7 be used for other purposes, unless a transfer of monies is reviewed by the  
8 joint legislative budget committee.

9       The department of economic security shall report all new placements  
10 into a state-owned ICF-MR or the Arizona training program at Coolidge campus  
11 in fiscal year 2009-2010 to the president of the senate, the speaker of the  
12 house of representatives, the chairpersons of the senate and house of  
13 representatives appropriations committees and the director of the joint  
14 legislative budget committee and the reason why this placement, rather than a  
15 placement into a privately run facility for the developmentally disabled, was  
16 deemed as the most appropriate placement. The department shall also report  
17 if no new placements were made. This report shall be made available by July  
18 15, 2010.

19       All monies in the long-term care system fund unexpended and  
20 unencumbered at the end of fiscal year 2009-2010 revert to the state general  
21 fund, subject to approval by the Arizona health care cost containment system  
22 administration.

23       The department shall report to the joint legislative budget committee  
24 by March 1 of each year on preliminary actuarial estimates of the capitation  
25 rate changes for the following fiscal year along with the reasons for the  
26 estimated changes. For any actuarial estimates that include a range, the  
27 total range from minimum to maximum shall be not more than two per cent.  
28 Before implementation of any changes in capitation rates for the long-term  
29 care program, the department of economic security shall report for review the  
30 expenditure plan to the joint legislative budget committee. Before the  
31 department implements any changes in policy affecting the amount,  
32 sufficiency, duration and scope of health care services and who may provide  
33 services, the department shall prepare a fiscal impact analysis on the  
34 potential effects of this change on the following year's capitation rates.  
35 If the fiscal analysis demonstrates that these changes will result in  
36 additional state costs of \$500,000 or greater for a given fiscal year, the  
37 department shall submit the policy changes for review by the joint  
38 legislative budget committee.

39       Prior to the implementation of any developmentally disabled or long  
40 term care statewide provider rate adjustments not already specifically  
41 authorized by the legislature, court mandates or changes to federal law, the  
42 department shall submit a report for review by the joint legislative budget  
43 committee. The report shall include, at a minimum, the estimated cost of the  
44 provider rate adjustment and the ongoing source of funding for the  
45 adjustment, if applicable.

1 For fiscal year 2009-2010, the department of economic security shall  
 2 not increase reimbursement rates for community service providers and  
 3 independent service agreement providers contracting with the division of  
 4 developmental disabilities.

5 ~~IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010,~~  
 6 ~~\$2,300,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE~~  
 7 ~~DEPARTMENT OF ECONOMIC SECURITY FOR CHILDREN'S AUTISM INTENSIVE BEHAVIORAL~~  
 8 ~~TREATMENT SERVICES AND FOR CHILDREN'S AUTISM INTENSIVE EARLY INTERVENTION~~  
 9 ~~SERVICES FOR TODDLERS. THESE MONIES SHALL BE DISBURSED IN ACCORDANCE WITH~~  
 10 ~~THE PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009~~  
 11 ~~(P.L. 111-5).~~

12 Benefits and medical eligibility  
 13 FTE positions 574.0  
 14 Operating lump sum appropriation \$ 40,657,000  
 15 Fund sources:  
 16 State general fund \$ 25,716,800  
 17 Federal temporary assistance  
 18 for needy families block grant 14,940,200  
 19 Temporary assistance for  
 20 needy families cash  
 21 benefits \$121,873,400  
 22 Fund sources:  
 23 State general fund \$ 41,242,700  
 24 Federal temporary assistance  
 25 for needy families block  
 26 grant 80,630,700  
 27 Tribal pass-through funding \$ 5,192,300  
 28 Fund sources:  
 29 State general fund \$ 5,192,300  
 30 Tuberculosis control payments \$ 32,200  
 31 Fund sources:  
 32 State general fund \$ 32,200  
 33 Performance measures:  
 34 Per cent of cash benefits issued timely 96.0  
 35 Per cent of total cash benefits payments  
 36 issued accurately 95.0  
 37 Per cent of total food stamps payments  
 38 issued accurately 96.0  
 39 Per cent of clients satisfied with family  
 40 assistance administration 90.0  
 41 The operating lump sum appropriation may be expended on Arizona health  
 42 care cost containment system eligibility determinations based on the results  
 43 of the Arizona random moment sampling survey.

Any transfer to or from the \$121,873,400 appropriated for temporary assistance for needy families cash benefits requires review by the joint legislative budget committee.

Of the amount appropriated for temporary assistance for needy families cash benefits, \$500,000 reflects appropriation authority only to ensure sufficient cashflow to administer cash benefits for tribes operating their own welfare programs. The department shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting staff before the use of any of the \$500,000 appropriation authority.

Child support enforcement

FTE positions	863.8
Operating lump sum appropriation	\$ 49,513,700
Fund sources:	
State general fund	\$ 7,958,600
Child support enforcement	
administration fund	12,220,000
Expenditure authority	29,335,100
Genetic testing	\$ 360,000
Fund sources:	
State general fund	\$ 122,400
Expenditure authority	237,600
County participation	\$ 8,645,200
Fund sources:	
Child support enforcement	
administration fund	\$ 1,384,100
Expenditure authority	7,261,100
Attorney general legal services	\$ 9,901,400
Fund sources:	
State general fund	\$ 887,500
Child support enforcement	
administration fund	2,426,500
Expenditure authority	6,587,400
Performance measures:	
Total IV-D collections	\$371,500,000
Ratio of current IV-D support collected	
and distributed to current IV-D support	
due	50.4

ALL STATE SHARE OF RETAINED EARNINGS, FEES AND FEDERAL INCENTIVES ABOVE \$16,030,600 RECEIVED BY THE DIVISION OF CHILD SUPPORT ENFORCEMENT ARE APPROPRIATED FOR OPERATING EXPENDITURES. NEW FULL-TIME EQUIVALENT POSITIONS MAY BE AUTHORIZED WITH THE INCREASED FUNDING. THE DIVISION OF CHILD SUPPORT ENFORCEMENT SHALL REPORT THE INTENDED USE OF THE MONIES TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE CHAIRPERSONS OF THE SENATE AND HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEES AND THE

1	DIRECTORS OF THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE	
2	OF STRATEGIC PLANNING AND BUDGETING.	
3	<u>Aging and community services</u>	
4	FTE positions	109.6
5	Operating lump sum appropriation	\$ 7,296,100
6	Fund sources:	
7	State general fund	\$ 7,048,500
8	Federal temporary assistance	
9	for needy families block	
10	grant	247,600
11	Adult services	\$ 18,977,700
12	Fund sources:	
13	State general fund	\$ 18,977,700
14	Aging and community services -	
15	25% reduction	<del>\$(5,568,700)</del>
16		\$(1,131,400)
17	Fund sources:	
18	State general fund	<del>\$(5,568,700)</del>
19		\$(1,131,400)
20	Community and emergency	
21	services	\$ 5,424,900
22	Fund sources:	
23	Federal temporary assistance	
24	for needy families block	
25	grant	\$ 5,424,900
26	Coordinated hunger	\$ 2,014,600
27	Fund sources:	
28	State general fund	\$ 1,514,600
29	Federal temporary assistance	
30	for needy families block	
31	grant	500,000
32	Coordinated homeless	\$ 2,804,900
33	Fund sources:	
34	State general fund	\$ 1,155,400
35	Federal temporary assistance	
36	for needy families block	
37	grant	1,649,500
38	Domestic violence prevention	\$ 16,647,400
39	Fund sources:	
40	State general fund	\$ 7,626,700
41	Federal temporary assistance	
42	for needy families block	
43	grant	6,620,700
44	Domestic violence shelter fund	2,400,000

1 Performance measures:

2 Adult protective services investigation

3 per cent rate 100

4 The department of economic security shall report to the joint  
5 legislative budget committee on the amount of state and federal monies  
6 available statewide for domestic violence funding by December 15, 2009. The  
7 report shall include, at a minimum, the amount of monies available and the  
8 state fiscal agent receiving those monies.

9 ALL DOMESTIC VIOLENCE SHELTER FUND MONIES ABOVE \$2,400,000 RECEIVED BY  
10 THE DEPARTMENT OF ECONOMIC SECURITY ARE APPROPRIATED FOR THE DOMESTIC  
11 VIOLENCE PREVENTION LINE ITEM. THE DEPARTMENT OF ECONOMIC SECURITY SHALL  
12 REPORT THE INTENDED USE OF THE MONIES ABOVE \$2,400,000 TO THE JOINT  
13 LEGISLATIVE BUDGET COMMITTEE.

14 Children, youth and families

15 FTE positions 1,616.7

16 Operating lump sum appropriation \$102,378,000

17 Fund sources:

18 State general fund \$ 64,056,100

19 Children and family services  
20 training program fund 209,600

21 Federal temporary assistance  
22 for needy families block  
23 grant 38,112,300

24 ~~IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010,~~  
25 ~~\$5,500,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE~~  
26 ~~DEPARTMENT OF ECONOMIC SECURITY FOR CHILD PROTECTIVE SERVICES. THESE MONIES~~  
27 ~~SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY~~  
28 ~~AND REINVESTMENT ACT OF 2009 (P.L. 111-5).~~

29 Adoption services \$ 55,244,600

30 Fund sources:

31 State general fund \$ 35,942,200

32 Federal temporary assistance  
33 for needy families block  
34 grant 19,302,400

35 ~~IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010,~~  
36 ~~\$2,500,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE~~  
37 ~~DEPARTMENT OF ECONOMIC SECURITY FOR ADOPTION SERVICES CASELOAD GROWTH. THESE~~  
38 ~~MONIES SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN~~  
39 ~~RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).~~

40 Adoption services - family  
41 preservation projects \$ 700,000

42 Fund sources:

43 Federal temporary assistance  
44 for needy families block  
45 grant \$ 700,000

1	Attorney general legal	
2	services	\$ 12,168,800
3	Fund sources:	
4	State general fund	\$ 12,116,600
5	Federal temporary assistance	
6	for needy families block	
7	grant	52,200
8	Child abuse prevention	\$ 826,900
9	Fund sources:	
10	Child abuse prevention fund	\$ 826,900
11	Children support services	\$ 71,082,400
12	Fund sources:	
13	State general fund	\$ 40,403,300
14	Child abuse prevention fund	750,000
15	Federal temporary assistance	
16	for needy families block	
17	grant	29,929,100
18	Comprehensive medical and dental	
19	program	\$ 2,057,000
20	Fund sources:	
21	State general fund	\$ 2,057,000
22	Child protective services appeals	\$ 732,300
23	Fund sources:	
24	State general fund	\$ 732,300
25	CPS emergency placement	\$ 5,186,500
26	Fund sources:	
27	State general fund	\$ 2,180,100
28	Federal temporary assistance	
29	for needy families block	
30	grant	3,006,400
31	Family support reduction	<del>\$(6,290,000)</del>
32		\$(2,620,800)
33	Fund sources:	
34	State general fund	<del>\$(6,290,000)</del>
35		\$(2,620,800)
36	Education and training vouchers	\$ 700,000
37	Fund sources:	
38	State general fund	\$ 700,000
39	Family builders program	\$ 5,200,000
40	Fund sources:	
41	Federal temporary assistance for	
42	needy families block grant	\$ 5,200,000
43	Foster care placement	\$ 23,362,600

1	Fund sources:	
2	State general fund	\$ 17,139,500
3	Federal temporary assistance for	
4	needy families block grant	6,223,100
5	Healthy families	\$ 10,750,000
6	Fund sources:	
7	State general fund	\$ 5,715,800
8	Federal temporary assistance for	
9	needy families block grant	5,034,200
10	Homeless youth intervention	\$ 400,000
11	Fund sources:	
12	Federal temporary assistance for	
13	needy families block grant	\$ 400,000
14	Independent living maintenance	<del>\$ 2,136,000</del>
15		\$ 2,719,300
16	Fund sources:	
17	State general fund	<del>\$ 2,136,000</del>
18		\$ 2,719,300
19	Intensive family services	\$ 1,985,600
20	Fund sources:	
21	State general fund	\$ 1,985,600
22	Joint substance abuse - Arizona	
23	families in recovery succeeding	
24	together	\$ 7,224,500
25	Fund sources:	
26	State general fund	\$ 5,224,500
27	Federal temporary assistance for	
28	needy families block grant	\$ 2,000,000
29	Permanent guardianship subsidy	\$ 8,935,300
30	Fund sources:	
31	State general fund	\$ 7,192,300
32	Federal temporary assistance for	
33	needy families block grant	1,743,000
34	CPS residential placement	\$ 17,710,000
35	Fund sources:	
36	State general fund	\$ 6,543,400
37	Federal temporary assistance for	
38	needy families block grant	11,166,600
39	Performance measures:	
40	Per cent of newly hired CPS specialists	
41	completing training within 7 months	
42	of hire	100

1	Per cent of children in out-of-home care	
2	who have not returned to their families	
3	or been permanently placed elsewhere	
4	for more than 24 consecutive months	19
5	Per cent of CPS reports responded to by CPS	
6	staff	100
7	Per cent of CPS original dependencies	
8	cases where court denied or dismissed	
9	the dependency	<1
10	Per cent of office of administrative	
11	hearings where CPS case findings	
12	are affirmed	90
13	Per cent of CPS complaints reviewed by	
14	the office of the ombudsman-citizens	
15	aide where allegations are reported	
16	as valid by the ombudsman	13
17	Average number of days spent in shelter	
18	placements	15
19	Number of children in shelter care more	
20	than 21 days	0
21	Number of children under 3 in shelter care	0
22	Number of children under 6 in group homes	0
23	Any transfer to or from the amounts appropriated for children support	
24	services, CPS emergency placement, CPS residential placement or foster care	
25	placement requires review by the joint legislative budget committee.	
26	Of the amounts appropriated for children support services, CPS	
27	emergency placement, CPS residential placement and foster care placement,	
28	\$22,613,100 is appropriated from the federal temporary assistance for needy	
29	families block grant to the social services block grant for deposit in the	
30	following line items in the following amounts:	
31	Children support services	5,371,700
32	CPS emergency placement	2,333,700
33	CPS residential placement	9,833,300
34	Foster care placement	5,074,400
35	The department of economic security shall provide training to any new	
36	child protective services FTE positions before assigning to any of these	
37	employees any client caseload duties.	
38	It is the intent of the legislature that the department of economic	
39	security use the funding in the division of children, youth and families to	
40	achieve a one hundred per cent investigation rate.	
41	<del>IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010,</del>	
42	<del>\$18,000,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE</del>	
43	<del>DEPARTMENT OF ECONOMIC SECURITY FOR CHILDREN SERVICES. THESE MONIES SHALL BE</del>	
44	<del>DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY AND</del>	
45	<del>REINVESTMENT ACT OF 2009 (P.L. 111-51)</del>	



1	<u>Employment and rehabilitation services</u>	
2	FTE positions	559.9
3	Operating lump sum appropriation	\$ 33,957,600
4	Fund sources:	
5	State general fund	\$ 10,259,700
6	Federal child care and development	
7	fund block grant	10,839,300
8	Federal temporary assistance for	
9	needy families block grant	6,650,200
10	Workforce investment act grant	2,283,700
11	Special administration fund	74,400
12	Spinal and head injuries trust	
13	fund	613,800
14	Federal Reed act grant	3,236,500
15	JOBS	<del>\$ 13,247,900</del>
16		\$ 19,081,200
17	Fund sources:	
18	State general fund	\$ 1,715,200
19	Federal temporary assistance for	
20	needy families block grant	<del>8,032,700</del>
21		13,866,000
22	Workforce investment act grant	2,000,000
23	Special administration fund	1,500,000
24	Day care subsidy	\$178,864,000
25	Fund sources:	
26	State general fund	\$ 81,295,100
27	Federal child care and	
28	development fund block grant	82,485,800
29	Federal temporary assistance for	
30	needy families block grant	15,083,100
31	Transitional child care	\$ 36,193,000
32	Fund sources:	
33	Federal child care and	
34	development fund block	
35	grant	\$ 36,193,000
36	Vocational rehabilitation	
37	services	\$ 4,719,100
38	Fund sources:	
39	State general fund	\$ 4,514,400
40	Spinal and head injuries	
41	trust fund	204,700
42	Assistive technology	\$ 200,000

1 Fund sources:  
2 State general fund \$ 200,000  
3 Independent living rehabilitation  
4 services \$ 2,491,900  
5 Fund sources:  
6 State general fund \$ 784,200  
7 Spinal and head injuries trust  
8 fund 1,707,700  
9 Workforce investment act - local  
10 governments \$ 48,040,600  
11 Fund sources:  
12 Workforce investment act grant \$ 48,040,600  
13 Workforce investment act -  
14 discretionary \$ 3,614,000  
15 Fund sources:  
16 Workforce investment act grant \$ 3,614,000  
17 Performance measures:  
18 Number of TANF recipients who obtained  
19 employment 18,000  
20 Per cent of customer satisfaction with  
21 child care 95.0  
22 Vocational rehabilitation individuals  
23 successfully rehabilitated 2,000  
24 Of the \$178,864,000 appropriated for day care subsidy, \$115,199,900 is  
25 for a program in which the upper income limit is no more than one hundred  
26 sixty-five per cent of the federal poverty level.  
27 The amounts appropriated for day care subsidy and transitional child  
28 care shall be used exclusively for child care costs unless a transfer of  
29 monies is reviewed by the joint legislative budget committee. Monies shall  
30 not be used from these appropriated amounts for any other expenses of the  
31 department of economic security unless a transfer of monies is reviewed by  
32 the joint legislative budget committee.  
33 Monies in the child care subsidy and transitional child care line items  
34 shall be used to provide services only to residents of the state of Arizona  
35 who are citizens or legal residents of the United States or who are otherwise  
36 lawfully present in the United States.  
37 The department of economic security shall use the \$200,000 appropriated  
38 for assistive technology to contract with a third party to create a statewide  
39 clearinghouse for assistive technology to be distributed to Arizona school  
40 districts.  
41 ALL FEDERAL WORKFORCE INVESTMENT ACT DISCRETIONARY MONIES THAT ARE  
42 RECEIVED BY THIS STATE IN EXCESS OF \$3,614,000 ARE APPROPRIATED TO THE  
43 WORKFORCE INVESTMENT ACT-DISCRETIONARY LINE ITEM. EXCESS MONIES MAY NOT BE  
44 SPENT UNTIL A PROPOSED EXPENDITURE PLAN FOR THE EXCESS MONIES HAS BEEN  
45 REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

ALL FEDERAL WORKFORCE INVESTMENT ACT MONIES FOR LOCAL GOVERNMENTS THAT ARE RECEIVED BY THIS STATE IN EXCESS OF \$48,040,600 ARE APPROPRIATED TO THE WORKFORCE INVESTMENT ACT-LOCAL GOVERNMENTS LINE ITEM. EXCESS MONIES MAY NOT BE SPENT UNTIL A PROPOSED EXPENDITURE PLAN FOR THE EXCESS MONIES HAS BEEN REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

<del>6</del>	<del>Lump sum FTE reduction</del>	<del>(352.0)</del>
7	Agencywide lump sum reduction	\$(119,586,100)
8		\$(107,198,300)
9	Fund sources:	
10	State general fund	\$(129,808,500)
11		\$(115,040,000)
12	Child support enforcement	
13	administration fund	(796,900)
14	Domestic violence shelter fund	(480,000)
15	Long-term care system fund	(2,972,600)
16	Federal TANF block grant	15,468,000
17		9,634,700
18	Public assistance collections fund	(92,200)
19	Special administration fund	(347,000)
20	Spinal and head injuries trust fund	(556,900)
21	Lump sum reduction deferral	\$(25,000,000)
22		\$(42,000,000)
23	Fund sources:	
24	State general fund	\$(25,000,000)
25		\$(42,000,000)

Performance measures:  
 Agencywide customer satisfaction rating 3.8  
 (Scale 1-5)

The above appropriations are in addition to funds granted to the state by the federal government for the same purposes but shall be deemed to include the sums deposited in the state treasury to the credit of the department of economic security pursuant to section 42-5029, Arizona Revised Statutes.

A monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include an estimate of (1) potential shortfalls in entitlement programs, (2) potential federal and other funds, such as the statewide assessment for indirect costs, and any projected surplus in state supported programs that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation, (3) shortfalls resulting from new leases or renegotiations of current leases and associated costs and (4) total

1 expenditure authority of the child support enforcement program for the month  
2 and year-to-date as compared to prior year totals.

3 The department of economic security shall not operate more welfare  
4 offices than it operated in fiscal year 2005-2006.

5 It is the intent of the legislature that the department of economic  
6 security make the reductions associated with the agencywide lump sum  
7 reduction against administrative functions and, to the extent possible, not  
8 against programmatic functions.

9 Sec. 17. Senate Bill 1188, section 32, forty-ninth legislature, first  
10 regular session, as transmitted to the governor, is amended to read:

11 Sec. 32. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION  
12 2009-10

13 Administration

14 FTE positions 72.5

15 Lump sum appropriation \$ 6,469,600

16 Fund sources:

17 State general fund \$ 6,469,600

18 The lump sum appropriation includes \$291,100 and 4 FTE positions for  
19 average daily membership auditing and \$200,000 and 2 FTE positions for  
20 information technology security services.

21 Formula programs

22 FTE positions 29.0

23 Operating lump sum appropriation \$ 2,096,800

24 Basic state aid \$2,795,599,400

25 \$2,868,599,400

26 Fund sources:

27 State general fund \$2,749,123,900

28 \$2,822,123,900

29 Permanent state school fund 46,475,500

30 The above appropriation provides basic state support to school  
31 districts for maintenance and operations funding as provided by section  
32 15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in  
33 expendable income derived from the permanent state school fund and from state  
34 trust lands pursuant to section 37-521, subsection B, Arizona Revised  
35 Statutes, for fiscal year 2009-2010.

36 Receipts derived from the permanent state school fund and any other  
37 nonstate general fund revenue source that is dedicated to fund basic state  
38 aid will be expended, whenever possible, before expenditure of state general  
39 fund monies.

40 Except as required by section 37-521, Arizona Revised Statutes, all  
41 monies received during the fiscal year from national forests, interest  
42 collected on deferred payments on the purchase of state lands, the income  
43 from the investment of permanent funds as prescribed by the enabling act and  
44 the Constitution of Arizona and all monies received by the superintendent of  
45 public instruction from whatever source, except monies received pursuant to

1 sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the  
 2 state treasury are appropriated for apportionment to the various counties in  
 3 accordance with law. An expenditure shall not be made except as specifically  
 4 authorized above.

5 ~~Additional state aid~~ ~~Veto~~ \$ 366,586,000

6 Special education fund 35,237,700

7 ~~Other state aid to districts~~ 983,900

8 Total - formula programs \$3,200,503,800

9 ~~\$3,273,503,800~~

10 Fund sources:

11 State general fund \$3,154,028,300

12 \$3,227,028,300

13 ~~Permanent state school fund 46,475,500~~

14 Nonformula programs

15 FTE positions 149.4

16 Operating lump sum appropriation \$ 1,312,700

17 Achievement testing 10,236,900

18 Before making any changes to the achievement testing program that will  
 19 increase program costs, the state board of education shall report the  
 20 estimated fiscal impact of those changes to the joint legislative budget  
 21 committee.

22 AIMS intervention; dropout

23 prevention 5,050,000

24 School accountability 4,699,100

25 Adult education and GED 4,477,900

26 Chemical abuse 817,100

27 English learner administration 4,805,800

28 The appropriated amount is to be used by the department of education to  
 29 provide English language acquisition services for the purposes of section  
 30 15-756.07, Arizona Revised Statutes, and for the costs of providing English  
 31 language proficiency assessments, scoring and ancillary materials as  
 32 prescribed by the department of education to school districts and charter  
 33 schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised  
 34 Statutes. The department of education may use a portion of the appropriated  
 35 amount to hire staff or contract with a third party to carry out the purposes  
 36 of section 15-756.07, Arizona Revised Statutes. Notwithstanding section  
 37 41-192, Arizona Revised Statutes, the superintendent of public instruction  
 38 also may use a portion of the appropriated amount to contract with one or  
 39 more private attorneys to provide legal services in connection with the case  
 40 of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

41 Compensatory instruction fund

42 deposit 10,000,000

43 Arizona structured English immersion

44 fund 8,791,400

45 Extended school year 500,000

1	Family literacy	1,008,700
2	Gifted support	3,377,000
3	School safety program	6,718,900
4	Small pass-through programs	100,000
5	The appropriated amount includes \$50,000 for the academic contest fund	
6	and \$50,000 for the economic academic council.	
7	State block grant for early	
8	childhood education	19,438,100
9	State block grant for vocational	
10	education	11,467,700
11	Vocational education extended year	600,000
12	Teacher certification	1,971,400
13	Monies collected by the department of education for teacher	
14	certification fees, as authorized by section 15-531, paragraphs 1 and 2,	
15	Arizona Revised Statutes, shall be deposited in a teacher certification fund	
16	for use in funding costs of the teacher certification program.	
17	Parental choice for reading success	1,000,000
18	Optional performance incentive	
19	programs	<u>120,000</u>
20	Total - nonformula programs	\$ 96,492,700
21	Fund sources:	
22	State general fund	\$ 87,303,600
23	Proposition 301 fund	7,000,000
24	Teacher certification fund	2,189,100
25	Performance measures:	
26	Per cent of students tested who perform	
27	at or above the national norm on the	
28	norm-referenced test (grade 2)	
29	-- reading	49
30	-- math	54
31	Per cent of students tested who perform	
32	at or above the national norm on the	
33	norm-referenced test (grade 9)	
34	-- reading	54
35	-- math	53
36	Per cent of schools with at least 75% of	
37	students meeting or exceeding standards in:	
38	-- reading	37
39	-- writing	34
40	-- math	34
41	Per cent of Arizona high school students	
42	who enter grade 9 and graduate within	
43	4 years	74

1	Per cent of students in grade 3 meeting	
2	or exceeding state academic standards in:	
3	-- reading	70
4	-- writing	77
5	-- math	72
6	Per cent of students in grade 5 meeting	
7	or exceeding state academic standards in:	
8	-- reading	69
9	-- writing	66
10	-- math	71
11	Per cent of students in grade 8 meeting	
12	or exceeding state academic standards in:	
13	-- reading	68
14	-- writing	77
15	-- math	62
16	Per cent of students in grade 12 meeting	
17	or exceeding state academic standards in:	
18	-- reading	40
19	-- writing	42
20	-- math	29
21	Per cent of students tested:	
22	-- norm-referenced test (grades 2 and 9)	94
23	-- AIMS	99
24	Per cent of Arizona schools receiving an	
25	underperforming label	10
26	Maximum number of days to process	
27	complete certification applications	14
28	Per cent of customers satisfied with	
29	certification services	94
30	<u>State board of education</u>	
31	FTE positions	11.0
32	Lump sum appropriation	\$ 1,146,200
33	Fund sources:	
34	State general fund	\$ 692,500
35	Teacher certification fund	453,700
36	Performance measures:	
37	Per cent of parents who rate "A+" the public	
38	school that their oldest school-age child	
39	attends	9.0
40	The state board of education program may establish its own strategic	
41	plan separate from that of the department of education and based on its own	
42	separate mission, goals and performance measures.	

1	Lump sum FTE reduction	(20.0)
2	<u>Lump sum reduction</u>	\$(13,204,900)
3	Fund sources:	
4	State general fund	\$(13,017,600)
5	Teacher certification fund	(187,300)
6	The department shall not take its lump sum reduction against the	
7	vocational education extended year line item.	
8	Total appropriation - state board of	
9	education and superintendent	
10	of public instruction	
11		<u>\$3,291,407,400</u>
12		\$3,364,407,400
13	Fund sources:	
14	State general fund	<del>\$3,235,476,400</del>
15		\$3,308,476,400
16	Proposition 301 fund	7,000,000
17	Permanent state school fund	46,475,500
18	Teacher certification fund	2,455,500
19	The department shall provide an updated report on its budget status	
20	every two months for the first half of each fiscal year and every month	
21	thereafter to the president of the senate, the speaker of the house of	
22	representatives, the chairpersons of the senate and house of representatives	
23	appropriations committees, the director of the joint legislative budget	
24	committee and the director of the governor's office of strategic planning and	
25	budgeting. Each report shall include, at a minimum, the department's current	
26	funding surplus or shortfall projections for basic state aid and other major	
27	formula-based programs and shall be due thirty days after the end of the	
28	applicable reporting period.	
29	Within fifteen days of each apportionment of state aid that occurs	
30	pursuant to section 15-973, subsection B, Arizona Revised Statutes, the	
31	department shall provide the joint legislative budget committee staff and the	
32	governor's office of strategic planning and budgeting with an electronic	
33	spreadsheet or database copy of data included in the apor55-1 report for that	
34	apportionment for each school district and the char55-1 report for that	
35	apportionment for each charter school.	
36	Sec. 18. Senate Bill 1188, section 33, forty-ninth legislature, first	
37	regular session, as transmitted to the governor, is amended to read:	
38	Sec. 33. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS	
39		<u>2009-10</u>
40	<u>Administration</u>	
41	FTE positions	13.9
42	Lump sum appropriation	\$ 2,152,300
43	Military gift package postage	<u>100,000</u>
44	Total - administration	\$ 2,252,300



1	Fund sources:	
2	State general fund	\$ 2,252,300
3	<u>Emergency management</u>	
4	FTE positions	12.0
5	Operating lump sum appropriation	\$ 1,078,100
6	Civil air patrol	<u>54,700</u>
7	Total - emergency management	\$ 1,132,800
8	Fund sources:	
9	State general fund	\$ 1,000,100
10	Emergency response fund	132,700
11	<u>Military affairs</u>	
12	FTE positions	66.2
13	Operating lump sum appropriation	\$ 2,769,600
14	Guardsmen tuition reimbursement	1,446,000
15	Project challenge	1,770,100
16	National guard uniform allowance	<u>250,000</u>
17	<del>Border security</del>	<del>928,800</del>
18	Total - military affairs	<del>\$ 7,164,500</del>
19		\$ 6,235,700
20	Fund sources:	
21	State general fund	<del>\$ 7,164,500</del>
22		\$ 6,235,700
23	Lump sum FTE reduction	(10.0)
24	<u>Lump sum reduction</u>	<del>\$(2,403,800)</del>
25		\$(2,248,300)
26	Fund sources:	
27	State general fund	<del>\$(2,403,800)</del>
28		<del>\$(2,248,300)</del>
29	Total appropriation - department of	
30	emergency and military affairs	<del>\$ 8,145,800</del>
31		\$ 7,372,500
32	Fund sources:	
33	State general fund	<del>\$ 8,013,100</del>
34		\$ 7,239,800
35	Emergency response fund	132,700
36	Performance measures:	
37	Per cent of project challenge graduates	
38	either employed or in school	95
39	Customer satisfaction rating for communities	
40	served during disasters (Scale 1-8)	6.0
41	The department of emergency and military affairs appropriation includes	
42	\$1,215,000 for service contracts. This amount is exempt from the provisions	
43	of section 35-190, Arizona Revised Statutes, relating to lapsing of	
44	appropriations, except that all fiscal year 2009-2010 monies remaining	

unexpended and unencumbered on October 31, 2010, revert to the state general fund.

It is the intent of the legislature that the department of emergency and military affairs submit a request to the United States department of defense on or before September 30, 2009 to allow the department of emergency and military affairs to conduct training exercises for Arizona national guard units at the Arizona-Mexico border. The department of emergency and military affairs shall report to the joint legislative budget committee on or before December 31, 2009 on the response of the United States department of defense to this request.

Sec. 19. Senate Bill 1188, section 34, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 34. DEPARTMENT OF ENVIRONMENTAL QUALITY

2009-10

Administration

FTE positions	144.6
Lump sum appropriation	\$ 15,880,300

Fund sources:

State general fund	\$ 3,132,100
Indirect cost recovery fund	12,748,200

Air programs

FTE positions	124.9
Air quality management and analysis	11,436,200
Emissions control contractor payment	27,639,600
Emissions control program - administration	4,231,100
Transfers to counties program	165,000
Maricopa, Pima and Pinal counties travel reduction plan	<u>1,676,900</u>

Total - air programs	\$ 45,148,800
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Fund sources:

State general fund	\$ 381,400
Air quality fund	5,227,500
Air permits administration fund	5,992,300
Emissions inspection fund	33,547,600

Waste programs

FTE positions	48.4
Waste control and management	6,446,100
Underground storage tank program	22,000
Waste tire program	<u>53,600</u>

Total - waste programs	\$ 6,521,700
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1	Fund sources:	
2	State general fund	\$ 1,149,700
3	Air quality fund	588,300
4	Hazardous waste management fund	795,000
5	Recycling fund	2,325,800
6	Solid waste fee fund	1,503,100
7	Underground storage tank	
8	revolving fund	22,000
9	Used oil fund	137,800
10	<u>Water programs</u>	
11	FTE positions	155.5
12	Arizona pollutant discharge	
13	elimination system	1,524,700
14	Drinking water regulation program	2,499,800
15	Surface water regulation program	1,137,100
16	Underground water regulation	
17	program	<u>7,032,100</u>
18	Total - water programs	\$ 12,193,700
19	Fund sources:	
20	State general fund	\$ 2,151,800
21	Water quality fee fund	5,887,000
22	Clean water revolving fund	4,154,900
23	<u>WIFA</u>	
24	Drinking water revolving loan	
25	program	<u>845,100</u>
26	Total - WIFA	\$ 845,100
27	Fund sources:	
28	Clean water revolving fund	\$ 845,100
29	<del>Lump sum reduction</del>	<del>\$(7,860,100)</del>
30		<del>\$(6,189,300)</del>
31	Fund sources:	
32	State general fund	<del>\$(2,259,500)</del>
33		<del>\$ (588,700)</del>
34	Air permits administration fund	<del>(339,900)</del>
35	Air quality fund	<del>(679,000)</del>
36	Emissions inspection fund	<del>(138,400)</del>
37	Indirect cost recovery fund	<del>(1,575,500)</del>
38	Recycling fund	<del>(2,325,800)</del>
39	Solid waste fee fund	<del>(260,200)</del>
40	Water quality fee fund	<del><u>(281,800)</u></del>
41	Total appropriation - department of	
42	environmental quality	<del>\$ 72,729,500</del>
43		<del>\$ 74,400,300</del>

1	Fund sources:	
2	State general fund	\$ 4,555,500
3		\$ 6,226,300
4	Air permits administration fund	5,652,400
5	Air quality fund	5,136,800
6	Clean water revolving fund	5,000,000
7	Emissions inspection fund	33,409,200
8	Hazardous waste management fund	795,000
9	Indirect cost recovery fund	11,172,700
10	Solid waste fee fund	1,242,900
11	Underground storage tank	
12	revolving fund	22,000
13	Used oil fund	137,800
14	Water quality fee fund	5,605,200

15	Performance measures:	
16	Per cent of contaminated sites closed	
17	requiring no further action (cumulative)	
18	versus known sites	84.5
19	Number of nonattainment areas exceeding	
20	national ambient air quality standards	5
21	Per cent of statutorily set permit timelines	
22	met through licensing time frames rule	100
23	Number of days per year exceeding national	
24	ambient air quality standards for ozone,	
25	carbon monoxide or particulates	0
26	Per cent of facilities from drinking water	
27	priority log assigned to enforcement staff	100
28	Customer satisfaction rating for citizens	
29	(Scale 1-8)	7.7

30 Of the monies appropriated to the Maricopa, Pima and Pinal counties  
 31 travel reduction plan line item in fiscal year 2009-2010, \$948,600 shall be  
 32 allocated to Maricopa county, \$373,000 shall be allocated to the Pima  
 33 association of governments, \$87,000 shall be allocated to Pinal county and  
 34 \$268,300 shall be allocated to Pima county.

35 When expenditures from the hazardous waste or environmental health  
 36 reserves are authorized, the director of the department of environmental  
 37 quality shall report the nature of the emergency and the authorized  
 38 expenditure amount to the president of the senate, the speaker of the house  
 39 of representatives, the chairpersons of the senate and house of  
 40 representatives appropriations committees and the director of the joint  
 41 legislative budget committee.

42 Any transfer from the amount appropriated for the Arizona pollutant  
 43 discharge elimination system line item shall require prior joint legislative  
 44 budget committee review.

1 Pursuant to section 49-282, Arizona Revised Statutes, the department of  
2 environmental quality shall submit a fiscal year 2010-2011 budget for the  
3 water quality assurance revolving fund before September 1, 2009, for review  
4 by the senate and house of representatives appropriations committees.

5 The department of environmental quality shall report annually on the  
6 progress of WQARF activities, including emergency response, priority site  
7 remediation, cost recovery activity, revenue and expenditure activity and  
8 other WQARF-funded program activity. This report shall also include a budget  
9 for the WQARF program that is developed in consultation with the WQARF  
10 advisory board. The fiscal year 2009-2010 report shall be submitted to the  
11 joint legislative budget committee by September 1, 2009. This budget shall  
12 specify the monies budgeted for each listed site during fiscal year  
13 2009-2010. In addition, the department and the advisory board shall prepare  
14 and submit to the joint legislative budget committee, by October 2, 2009, a  
15 report in a table format summarizing the current progress on remediation of  
16 each listed site on the WQARF registry. The table shall include the stage of  
17 remediation for each site at the end of fiscal year 2008-2009, whether the  
18 current stage of remediation is anticipated to be completed in fiscal year  
19 2009-2010 and the anticipated stage of remediation at each listed site at the  
20 end of fiscal year 2009-2010, assuming fiscal year 2009-2010 funding levels.  
21 The department and advisory board may include other relevant information  
22 about the listed sites in the table.

23 The monies appropriated in the transfers to counties program line item  
24 are for use by Arizona counties to avoid being declared in nonattainment of  
25 particulate matter standards by establishing public notification and outreach  
26 programs, minimizing exposure to particulate matter concentrations, and  
27 abating and minimizing controllable sources of particulate matter through  
28 best available control measures. Of the monies in the transfers to counties  
29 program line item in fiscal year 2009-2010, \$50,000 shall be used by Pima  
30 county for carbon monoxide monitoring as required by the Pima county limited  
31 maintenance plan with the United States environmental protection agency.

32 ALL AIR PERMITS ADMINISTRATION REVENUES RECEIVED BY THE DEPARTMENT OF  
33 ENVIRONMENTAL QUALITY IN EXCESS OF \$5,652,400 IN FISCAL YEAR 2009-2010 ARE  
34 APPROPRIATED TO THE DEPARTMENT. BEFORE THE EXPENDITURE OF AIR PERMITS  
35 ADMINISTRATION RECEIPTS IN EXCESS OF \$5,652,400 IN FISCAL YEAR 2009-2010, THE  
36 DEPARTMENT OF ENVIRONMENTAL QUALITY SHALL SUBMIT THE INTENDED USE OF THE  
37 MONIES FOR REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

38 The department of environmental quality shall submit a written report  
39 detailing the maximum, minimum and average water quality permit processing  
40 times for fiscal year 2008-2009 by December 1, 2009, for review by the joint  
41 legislative budget committee. The fiscal year 2008-2009 data shall contain  
42 the year-to-date actual data and projected totals for each year. This report  
43 shall also include total number of staff hours devoted to water quality  
44 permit processing in fiscal year 2008-2009, the total costs to process these

permits and the progress made in reducing water quality permit processing times.

ALL INDIRECT COST FUND RECOVERY REVENUES RECEIVED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY IN EXCESS OF \$11,172,700 IN FISCAL YEAR 2009-2010 ARE APPROPRIATED TO THE DEPARTMENT. BEFORE THE EXPENDITURE OF INDIRECT COST RECOVERY FUND RECEIPTS IN EXCESS OF \$11,172,700 IN FISCAL YEAR 2009-2010, THE DEPARTMENT OF ENVIRONMENTAL QUALITY SHALL SUBMIT THE INTENDED USE OF THE MONIES FOR REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

Sec. 20. Senate Bill 1188, section 35, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 35. STATE BOARD OF EQUALIZATION

	<u>2009-10</u>
FTE positions	7.0
Lump sum appropriation	<del>\$ 556,800</del>
	\$ 602,500
Fund sources:	
State general fund	<del>\$ 556,800</del>
	\$ 602,500

Performance measures:

Average calendar days to process a property tax appeal from receipt to issuance	28
Per cent of rulings upheld in tax courts	100
Customer satisfaction rating (Scale 1-8)	6.1

Sec. 21. Senate Bill 1188, section 36, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 36. BOARD OF EXECUTIVE CLEMENCY

	<u>2009-10</u>
FTE positions	15.0
Lump sum appropriation	<del>\$ 857,200</del>
	\$ 951,600
Fund sources:	
State general fund	<del>\$ 857,200</del>
	\$ 951,600

Performance measures:

Customer satisfaction rating for victims (Scale 1-8)	6.0
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Sec. 22. Senate Bill 1188, section 39, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 39. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

	<u>2009-10</u>
FTE positions	49.0
Lump sum appropriation	<del>\$ 2,808,900</del>
	\$ 2,362,200

1 Fund sources:  
 2 State general fund \$ ~~2,808,900~~  
 3 \$ 2,362,200  
 4 Performance measures:  
 5 Per cent of manufactured homes complaints  
 6 closed vs. complaints filed 98  
 7 Customer satisfaction rating (Scale 1-5) 4.7  
 8 Sec. 23. Senate Bill 1188, section 41, forty-ninth legislature, first  
 9 regular session, as transmitted to the governor, is amended to read:  
 10 Sec. 41. GAME AND FISH DEPARTMENT  
 11 2009-10  
 12 FTE positions 273.5  
 13 Operating lump sum appropriation \$ ~~32,850,300~~  
 14 \$33,811,200  
 15 Pittman - Robertson/Dingell -  
 16 Johnson act 3,808,000  
 17 Performance incentive pay program 346,800\*  
 18 Lower Colorado multispecies  
 19 conservation 350,000  
 20 Watercraft grant program 250,000  
 21 Watercraft safety education program 1,175,000  
 22 ~~Lump sum reduction (1,410,900)~~  
 23 Total appropriation - game and fish  
 24 department \$ ~~37,369,200~~  
 25 \$39,741,000  
 26 Fund sources:  
 27 Game and fish fund \$ 34,899,100  
 28 Waterfowl conservation fund 43,400  
 29 Wildlife endowment fund 16,000  
 30 Watercraft licensing fund ~~2,080,800~~  
 31 4,452,600  
 32 Game, nongame, fish and  
 33 endangered species fund 329,900  
 34 Performance measures:  
 35 Per cent of the public surveyed rating  
 36 watercraft safety as "good" or "excellent" 80  
 37 Per cent of anglers surveyed reporting they were  
 38 satisfied with their angling experiences 81  
 39 In addition to the \$3,808,000 for the Pittman - Robertson/Dingell -  
 40 Johnson act line item, the lump sum appropriation includes \$50,000 for  
 41 cooperative fish and wildlife research which may be used for the purpose of  
 42 matching federal and apportionment funds.

The \$300,000 from the game and fish fund and \$46,800 from the watercraft licensing fund in fiscal year 2009-2010 for the performance incentive pay program line item shall be used for personal services and employee-related expenditures associated with the department's performance incentive pay program. This appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 24. Senate Bill 1188, section 44, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 44. GOVERNMENT INFORMATION TECHNOLOGY AGENCY

	<u>2009-10</u>
FTE positions	23.0
Operating lump sum appropriation	\$ 7,815,100
Statewide information security	
and privacy office	870,300
Public safety communications	880,600
Lump sum reduction	<del>(1,865,200)</del>
	<u>(1,377,300)</u>
Total appropriation - government information	
technology agency	<del>\$ 7,700,800</del>
	\$ 8,188,700

Fund sources:

State general fund	<del>\$ 734,400</del>
	\$ 803,200
Information technology fund	<del>3,066,400</del>
	3,485,500
State web portal fund	3,900,000
Performance measures:	
Per cent of information technology (IT)	
projects completed on schedule	96
Per cent of IT projects completed within budget	96
Per cent of agency IT managers rating	
GITA performance as excellent	60
Per cent of IT projects that are compliant	
with state enterprise architecture standards	90

Sec. 25. Senate Bill 1188, section 45, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 45. OFFICE OF THE GOVERNOR

	<u>2009-10</u>
<del>Operating Lump sum appropriation</del>	<del>\$ 6,784,900*</del>
	\$ 7,384,900*
<del>County fairs livestock and</del>	
<del>agricultural promotion fund</del>	<del>1,779,500</del>
<del>Total appropriation - office of the</del>	
<del>governor</del>	<del>\$ 8,564,400</del>



1 Fund sources:  
 2 State general fund ~~\$ 8,564,400~~  
 3 \$ 7,384,900  
 4 Included in the operating lump sum appropriation of ~~\$6,784,900~~  
 5 \$7,384,900 for fiscal year 2009-2010 is \$10,000 for the purchase of mementos  
 6 and items for visiting officials.  
 7 Sec. 26. Senate Bill 1188, section 46, forty-ninth legislature, first  
 8 regular session, as transmitted to the governor, is amended to read:  
 9 Sec. 46. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING  
 10 2009-10  
 11 FTE positions 23.0  
 12 Lump sum appropriation ~~\$ 1,899,600~~  
 13 \$ 2,149,600\*  
 14 Fund sources:  
 15 State general fund ~~\$ 1,899,600~~  
 16 \$ 2,149,600  
 17 Performance measures:  
 18 Per cent of participants rating budget and  
 19 planning training "good" or "excellent" 94  
 20 Sec. 27. Senate Bill 1188, section 47, forty-ninth legislature, first  
 21 regular session, as transmitted to the governor, is amended to read:  
 22 Sec. 47. DEPARTMENT OF HEALTH SERVICES  
 23 2009-10  
 24 Administration  
 25 FTE positions 432.8  
 26 Operating lump sum appropriation \$ 17,039,000  
 27 Fund sources:  
 28 State general fund \$ 14,251,600  
 29 Capital outlay stabilization  
 30 fund 1,578,000  
 31 Emergency medical services  
 32 operating fund 209,400  
 33 Indirect cost fund 1,000,000  
 34 Assurance and licensure ~~\$ 11,302,300~~  
 35 \$ 6,808,900  
 36 Fund sources:  
 37 State general fund ~~\$ 9,144,700~~  
 38 \$ 4,651,300  
 39 Federal child care and development  
 40 fund block grant 829,200  
 41 Hearing and speech professionals  
 42 fund 340,200

1	Nursing care institution resident	
2	protection revolving fund	38,000
3	Expenditure authority	950,200
4	Attorney general legal services	\$ 444,900
5	Fund sources:	
6	State general fund	\$ 394,900
7	Emergency medical services	
8	operating fund	50,000
9	Newborn screening program fund -	
10	indirect costs	\$ 478,600
11	Fund sources:	
12	Newborn screening program fund	\$ 478,600
13	Indirect cost fund	\$ 8,075,700
14	Fund sources:	
15	Indirect cost fund	\$ 8,075,700
16	Performance measures:	
17	Per cent of relicensure surveys completed	
18	on time:	
19	Child care facilities	97
20	Health care facilities	77
21	Per cent of complaint investigations initiated	
22	later than investigative guidelines:	
23	Child care facilities	0
24	Health care facilities	30
25	<u>Public health</u>	
26	FTE positions	245.1
27	Operating lump sum appropriation	\$ 6,217,000
28	Fund sources:	
29	State general fund	\$ 5,379,700
30	Emergency medical services	
31	operating fund	837,300
32	AIDS reporting and surveillance	\$ 1,125,000
33	Fund sources:	
34	State general fund	\$ 1,125,000
35	Alzheimer's disease research	\$ 2,250,000
36	Fund sources:	
37	State general fund	\$ 2,250,000
38	Arizona statewide immunization	
39	information system	\$ 477,600
40	Fund sources:	
41	State general fund	\$ 477,600
42	Community health centers	<del>\$ 13,481,400</del>
43		\$ 1,881,400

1	Fund sources:	
2	State general fund	\$ <del>8,981,400</del>
3		\$ 981,400
4	Tobacco tax and health care	
5	fund - medically needy	
6	account	<del>4,500,000</del>
7		900,000
8	County tuberculosis provider	
9	care and control	\$ 1,210,500
10	Fund sources:	
11	State general fund	\$ 1,210,500
12	Diabetes prevention and control	\$ 100,000
13	Fund sources:	
14	State general fund	\$ 100,000
15	Direct grants	\$ 460,300
16	Fund sources:	
17	State general fund	\$ 460,300
18	EMS operations	\$ 3,233,800
19	Fund sources:	
20	Emergency medical services	
21	operating fund	\$ 3,233,800
22	Hepatitis C surveillance	\$ 309,400
23	Fund sources:	
24	State general fund	\$ 309,400
25	Laboratory services	\$ 5,059,200
26	Fund sources:	
27	State general fund	\$ 4,088,600
28	Environmental laboratory licensure	
29	revolving fund	970,600
30	Loan repayment	\$ 750,000
31	Fund sources:	
32	State general fund	\$ 100,000
33	Emergency medical services	
34	operating fund	650,000
35	Poison control centers funding	\$ 1,950,000
36	Fund sources:	
37	State general fund	\$ 1,950,000
38	Reimbursement to counties	\$ 67,900
39	Fund sources:	
40	State general fund	\$ 67,900
41	Renal and nonrenal disease management	\$ 198,000
42	Fund sources:	
43	State general fund	\$ 198,000
44	Scorpion antivenom	\$ 150,000

1	Fund sources:	
2	State general fund	\$ 150,000
3	Telemedicine	\$ 260,000
4	Fund sources:	
5	State general fund	\$ 260,000
6	Teratogen program	\$ 60,000
7	Fund sources:	
8	State general fund	\$ 60,000
9	Trauma advisory board	\$ 405,400
10	Fund sources:	
11	Emergency medical services	
12	operating fund	\$ 405,400
13	Vaccines	\$ 6,132,900
14	Fund sources:	
15	State general fund	\$ 6,132,900
16	Vital records maintenance	\$ 499,700
17	Fund sources:	
18	Vital records electronic	
19	systems fund	\$ 499,700
20	Public health appropriation	\$ 1,000,000
21	Fund sources:	
22	Tobacco tax and health care	
23	fund - health research account	\$ 1,000,000
24	Public health reduction	\$(1,000,000)
25	Fund sources:	
26	State general fund	\$(1,000,000)
27	Performance measures:	
28	Immunization rate among two-year-old	
29	children	84
30	Per cent of high school youth who smoked	
31	in the last month	18
32	Customer waiting time in vital records	
33	lobby (in minutes)	15
34	Of the <del>\$13,481,400</del> \$1,881,400 appropriated for community health	
35	centers, at least \$564,000 shall be distributed to Yavapai county for county	
36	primary care programs.	
37	The department of health services may use up to four per cent of the	
38	amounts appropriated for renal and nonrenal disease management, community	
39	health centers and telemedicine for the administrative costs to implement	
40	each program.	
41	Monies appropriated for AIDS reporting and surveillance and renal and	
42	nonrenal disease management shall be used to provide services only to	
43	residents of the state of Arizona who are citizens or legal residents of the	
44	United States or who are otherwise lawfully present in the United States.	

1 The appropriation for direct grants is to provide for local health work  
 2 and a portion of the cost of employing one public health nurse and one  
 3 sanitarian in counties with populations of less than five hundred thousand  
 4 persons. The monies are to be divided equally among eligible counties on a  
 5 nonmatching basis. All monies that are received by a county under this  
 6 appropriation and that are not used for the prescribed purposes revert to the  
 7 state general fund.

8 The \$67,900 appropriated for reimbursement to counties is to provide  
 9 matching monies to counties with populations of less than five hundred  
 10 thousand persons for local health work on an equal matching basis and shall  
 11 be distributed based on the proportion of funding each county received in  
 12 fiscal year 2002-2003.

~~13 IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010,  
 14 \$11,600,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE  
 15 DEPARTMENT OF HEALTH SERVICES FOR COMMUNITY HEALTH CENTERS. THESE MONIES  
 16 SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY  
 17 AND REINVESTMENT ACT OF 2009 (P.L. 111-5).~~

18 The department of health services shall require the screening of  
 19 potential recipients of vaccines for private insurance coverage, eligibility  
 20 for the federal vaccines for children program and eligibility for the state  
 21 children's health insurance program. This requirement applies to vaccines  
 22 purchased with state monies appropriated for the vaccines line item for both  
 23 the federal 317 program and the state-only immunization program.

24 The department of health services shall distribute the entire  
 25 appropriation for Alzheimer's disease research to grant recipients by  
 26 September 30, 2009.

27 Family health

FTE positions	96.8
Operating lump sum appropriation	\$ 5,803,500

30 Fund sources:

State general fund	\$ 3,622,500
Expenditure authority	2,181,000

Adult cystic fibrosis	\$ 105,200
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34 Fund sources:

State general fund	\$ 105,200
Adult sickle cell anemia	\$ 33,000

37 Fund sources:

State general fund	\$ 33,000
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AHCCCS - children's rehabilitative services	\$ 74,677,100
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41 Fund sources:

State general fund	\$ 25,576,900
Expenditure authority	49,100,200

Breast and cervical cancer and bone density screening	\$ 1,015,800
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1	Fund sources:	
2	State general fund	\$ 1,015,800
3	Child fatality review team	\$ 246,300
4	Fund sources:	
5	Child fatality review fund	\$ 99,100
6	Emergency medical services	
7	operating fund	147,200
8	Children's rehabilitative	
9	services	\$ 3,587,000
10	Fund sources:	
11	State general fund	\$ 3,587,000
12	County prenatal services grant	\$ 1,033,600
13	Fund sources:	
14	State general fund	\$ 1,033,600
15	Folic acid	\$ 400,000
16	Fund sources:	
17	Tobacco tax and health care fund -	
18	medically needy account	\$ 400,000
19	High risk perinatal services	\$ 5,230,600
20	Fund sources:	
21	State general fund	\$ 4,780,600
22	Emergency medical services	
23	operating fund	450,000
24	Medicaid special exemption	
25	payments	\$ 1,659,500
26	Fund sources:	
27	State general fund	\$ 568,400
28	Expenditure authority	1,091,100
29	Newborn screening program	\$ 6,326,700
30	Fund sources:	
31	Newborn screening program fund	\$ 6,326,700
32	Senior food programs	\$ 500,000
33	Fund sources:	
34	State general fund	\$ 500,000
35	Performance measures:	
36	Number of newborns screened under newborn	
37	screening program	101,810
38	The amounts appropriated for children's rehabilitative services and for	
39	AHCCCS - children's rehabilitative services are intended to cover all costs	
40	in full for contracts for the provision of services to clients, unless a	
41	transfer of monies is reviewed by the joint legislative budget committee.	

1 The department of health services may transfer up to \$350,000 in  
 2 revenues from the indirect cost fund to the Arizona health care cost  
 3 containment system administration for the purpose of meeting indirect cost  
 4 state match requirements related to AHCCCS - children's rehabilitative  
 5 services program.

6 Of the \$5,230,600 appropriated for high risk perinatal services  
 7 \$583,000 shall be distributed to counties.

8 Behavioral health

9 FTE positions 166.0

10 Operating lump sum appropriation \$ 9,518,100

11 Fund sources:

12 State general fund \$ 4,454,200

13 Expenditure authority 5,063,900

14 Arnold v. Sarn \$ 37,100,600

15 Fund sources:

16 State general fund \$ 27,500,000

17 Expenditure authority 9,600,600

18 Children's behavioral health  
 19 services \$ 8,851,800

20 Fund sources:

21 State general fund \$ 8,851,800

22 Children's behavioral health state  
 23 match for title XIX \$407,201,800

24 Fund sources:

25 State general fund \$139,446,300

26 Expenditure authority 267,755,500

27 Court monitoring \$ 197,500

28 Fund sources:

29 State general fund \$ 197,500

30 Dual eligible part D copay subsidy \$ 802,600

31 Fund sources:

32 State general fund \$ 802,600

33 Medicaid special exemption  
 34 payments \$ 23,096,500

35 Fund sources:

36 State general fund \$ 7,909,400

37 Expenditure authority 15,187,100

38 Medicare clawback payments \$ 11,932,800

39 Fund sources:

40 State general fund \$ 11,932,800

41 Mental health and substance abuse  
 42 state match for title XIX \$121,065,400

1	Fund sources:	
2	State general fund	<del>\$ 41,458,800</del>
3		\$ 37,858,800
4	TOBACCO TAX AND HEALTH CARE	
5	FUND - MEDICALLY NEEDY ACCOUNT	3,600,000
6	Expenditure authority	79,606,600
7	Mental health nontitle XIX	\$ 2,447,300
8	Fund sources:	
9	State general fund	\$ 1,947,300
10	Tobacco tax and health care fund	
11	medically needy account	500,000
12	Proposition 204 - administration	\$ 6,534,800
13	Fund sources:	
14	State general fund	\$ 2,130,200
15	Expenditure authority	4,404,600
16	Proposition 204 - children's	
17	behavioral health services	\$ 5,097,600
18	Fund sources:	
19	State general fund	\$ 1,745,700
20	Expenditure authority	3,351,900
21	Proposition 204 - general mental	
22	health and substance abuse	\$121,138,500
23	Fund sources:	
24	State general fund	\$ 41,483,900
25	Expenditure authority	79,654,600
26	Proposition 204 - seriously	
27	mentally ill services	\$233,660,900
28	Fund sources:	
29	State general fund	\$ 80,017,200
30	Expenditure authority	153,643,700
31	Seriously mentally ill nontitle	
32	XIX	\$ 61,116,700
33	Fund sources:	
34	State general fund	\$ 30,191,900
35	Tobacco tax and health care fund	
36	medically needy account	30,924,800
37	Seriously mentally ill state match	
38	for title XIX	\$231,174,000
39	Fund sources:	
40	State general fund	\$ 79,165,500
41	Expenditure authority	152,008,500
42	Substance abuse nontitle XIX	\$ 13,635,400



1 Fund sources:  
 2 State general fund \$ 11,135,400  
 3 Substance abuse services fund 2,500,000  
 4 Contract compliance \$5,523,500

5 Fund sources:  
 6 State general fund \$ 1,856,100  
 7 Expenditure authority 3,667,400

8 Performance measures:  
 9 Per cent of RBHA title XIX clients  
 10 satisfied with services 90  
 11 Per cent of title XIX population that is  
 12 enrolled in a behavioral health service 12

13 The amount appropriated for children's behavioral health services shall  
 14 be used to provide services for nontitle XIX eligible children. The amount  
 15 shall not be used to pay for either federally or nonfederally reimbursed  
 16 services for title XIX eligible children, unless a transfer of monies is  
 17 reviewed by the joint legislative budget committee.

18 It is the intent of the legislature that the total amount available in  
 19 the Arnold v. Sarn line item be used for the population covered by the Arnold  
 20 v. Sarn lawsuit in counties with a population of two million or more persons  
 21 and for seriously mentally ill persons that meet the same criteria as those  
 22 covered by the Arnold v. Sarn lawsuit in counties with populations of less  
 23 than two million persons.

24 It is the intent of the legislature that the per cent attributable to  
 25 administration/profit for the regional behavioral health authority in  
 26 Maricopa county is nine per cent of the overall capitation rate.

27 The department of health services shall report to the joint legislative  
 28 budget committee thirty days after the end of each calendar quarter on the  
 29 progress the department is making toward settling the Arnold v. Sarn lawsuit.  
 30 The report shall include at a minimum the department's progress towards  
 31 meeting the exit criteria and whether the department is in compliance with  
 32 the exit criteria schedule.

33 Arizona state hospital  
 34 FTE positions 877.7  
 35 Operating lump sum appropriation \$ 56,762,900  
 36 Fund sources:  
 37 State general fund ~~\$ 49,111,000~~  
 38 \$ 47,733,600  
 39 Arizona state hospital fund ~~6,501,900~~  
 40 7,879,300  
 41 Arizona state hospital land  
 42 earnings fund 1,150,000  
 43 Arizona state hospital forensic  
 44 unit debt service \$ 3,111,700

1	Fund sources:	
2	State general fund	\$ 3,111,700
3	Community placement treatment	\$ 6,704,800
4	Fund sources:	
5	State general fund	\$ 5,574,100
6	Arizona state hospital fund	1,130,700
7	Sexually violent persons	\$ 10,630,200
8	Fund sources:	
9	State general fund	<del>\$ 10,630,200</del>
10		\$ 8,480,700
11	ARIZONA STATE HOSPITAL FUND	2,149,500
12	Electronic medical records	\$ 300,000
13	Fund sources:	
14	State general fund	\$ 300,000
15	Performance measures:	
16	Per cent of adult clients successfully	
17	placed in community who return for	
18	another stay within one year of discharge	6.0
19	<del>Agencywide FTE positions reduction</del>	<del>(161,000)</del>
20	<del>Agencywide lump sum reduction</del>	<del>\$(66,424,800)</del>
21		<del>\$(49,424,800)</del>
22	Fund sources:	
23	State general fund	<del>\$(63,909,100)</del>
24		<del>\$(46,909,100)</del>
25	Emergency medical services	
26	operating fund	(847,600)
27	Environmental lab licensure	
28	revolving fund	(41,300)
29	Hearing and speech professionals	
30	fund	(20,900)
31	Indirect cost fund	(1,289,900)
32	Substance abuse services fund	(250,000)
33	Vital records electronic systems	
34	fund	<del>(66,000)</del>

35 The department shall report to the joint legislative budget committee  
 36 by March 1 of each year on preliminary actuarial estimates of the capitation  
 37 rate changes for the following fiscal year along with the reasons for the  
 38 estimated changes. For any actuarial estimates that include a range, the  
 39 total range from minimum to maximum shall be no more than two per cent.  
 40 Before implementation of any changes in capitation rates for the  
 41 AHCCCS - children's rehabilitative services line item and any title XIX  
 42 behavioral health line items, the department of health services shall report  
 43 its expenditure plan for review by the joint legislative budget committee.  
 44 Before the department implements any changes in policy affecting the amount,  
 45 sufficiency, duration and scope of health care services and who may provide

1 services, the department shall prepare a fiscal impact analysis on the  
2 potential effects of this change on the following year's capitation rates.  
3 If the fiscal analysis demonstrates that these changes will result in  
4 additional state costs of \$500,000 or greater for a given fiscal year, the  
5 department shall submit the policy changes for review by the joint  
6 legislative budget committee.

7 In addition to the appropriation for the department of health services,  
8 earnings on state lands and interest on the investment of the permanent land  
9 funds are appropriated to the state hospital in compliance with the enabling  
10 act and the Constitution of Arizona.

11 A monthly report comparing total expenditures for the month and  
12 year-to-date as compared to prior year totals shall be forwarded to the  
13 president of the senate, the speaker of the house of representatives, the  
14 chairpersons of the senate and house of representatives appropriations  
15 committees and the director of the joint legislative budget committee by the  
16 thirtieth of the following month. The report shall include an estimate of  
17 (1) potential shortfalls in programs, (2) potential federal and other funds,  
18 such as the statewide assessment for indirect costs, that may be available to  
19 offset these shortfalls, and a plan, if necessary, for eliminating any  
20 shortfall without a supplemental appropriation and (3) total expenditure  
21 authority of the month and year-to-date for seriously mentally ill state  
22 match for title XIX, seriously mentally ill nontitle XIX, children's  
23 behavioral health services, children's behavioral health state match for  
24 title XIX, mental health nontitle XIX, substance abuse nontitle XIX,  
25 seriously emotionally handicapped children and children's rehabilitative  
26 services.

27 Any transfer to or from the amounts appropriated for seriously mentally  
28 ill state match for title XIX, seriously mentally ill nontitle XIX,  
29 Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral  
30 health services, children's behavioral health state match for title XIX,  
31 mental health nontitle XIX, substance abuse nontitle XIX, mental health and  
32 substance abuse state match for title XIX, children's rehabilitative  
33 services, AHCCCS - children's rehabilitative services, adult cystic fibrosis,  
34 adult sickle cell anemia, high risk perinatal services, county prenatal  
35 services grant, community placement treatment, dual eligible copay subsidy,  
36 sexually violent persons, county tuberculosis provider care and control,  
37 community health centers, vaccines, renal and nonrenal disease management,  
38 AIDS reporting and surveillance, telemedicine, university of Arizona poison  
39 center funding and poison control center funding shall require review by the  
40 joint legislative budget committee. The department may transfer monies  
41 between the amounts appropriated for proposition 204 children's behavioral  
42 health services, proposition 204 seriously mentally ill services and  
43 proposition 204 general mental health and substance abuse without review by  
44 the joint legislative budget committee but may not transfer monies to and  
45 from these line items to any other line item except as provided above without

review by the joint legislative budget committee. The amounts appropriated for these items shall be used exclusively for contracts for the provision of services to clients unless a transfer of monies is reviewed by the joint legislative budget committee or unless otherwise permitted to be expended for administrative costs as specified in this act. Monies shall not be used from these appropriated amounts for any other expenses of the department of health services, unless a transfer of monies is reviewed by the joint legislative budget committee.

It is the intent of the legislature that the department of health services make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

The lump sum reduction may not be taken against the appropriation made for Alzheimer's disease research.

Sec. 28. Senate Bill 1188, section 52, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 52. INDUSTRIAL COMMISSION OF ARIZONA

	<u>2009-10</u>
FTE positions	279.0
Lump sum appropriation	<del>\$ 16,614,900</del>
	\$19,859,700

Fund sources:

Industrial commission	
administrative fund	<del>\$ 16,614,900</del>
	\$19,859,700

Performance measures:

Average number of days to resolve a case	
by the administrative law judge division	118
Per cent of workers' compensation claims	
processed within five days	97
Elevator inspections conducted	5,847
Customer satisfaction rating for workers'	
compensation program (Scale 1-8)	7.1

Sec. 29. Senate Bill 1188, section 53, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 53. DEPARTMENT OF INSURANCE

	<u>2009-10</u>
FTE positions	95.5
Operating lump sum appropriation	<del>\$ 6,731,700</del>
	\$ 7,369,700
<del>Managed care and dental plan</del>	
<del>oversight</del>	<del>638,000</del>

1	Lump sum reduction	(1,624,400)
2		(1,287,700)
3	Total appropriation - department of insurance	\$ 5,745,300
4		\$ 6,082,000
5	Fund sources:	
6	State general fund	\$ 5,745,300
7		\$ 6,082,000
8	Performance measures:	
9	Average calendar days to complete a	
10	consumer complaint investigation	75
11	Per cent of survey licensees respondents	
12	indicating "satisfied" or "better"	93
13	Per cent of consumer services survey	
14	respondents indicating "satisfied"	
15	or "better"	77
16	Average number of days to issue a license	42
17	<del>It is the intent of the legislature that \$294,000 in fiscal year</del>	
18	<del>2009-2010 shall be for new agreements to prosecute fraud cases and shall be</del>	
19	<del>funded by the department from revenues from fraud unit fees.</del>	
20	Sec. 30. Senate Bill 1188, section 55, forty-ninth legislature, first	
21	regular session, as transmitted to the governor, is amended to read:	
22	Sec. 55. DEPARTMENT OF JUVENILE CORRECTIONS	
23		<u>2009-10</u>
24	FTE positions	1,050.7
25	Lump sum appropriation	\$ 78,297,500
26		\$ 70,776,600
27	Fund sources:	
28	State general fund	\$ 73,499,400
29		\$ 66,629,500
30	State charitable, penal and	
31	reformatory institutions	
32	land fund	1,749,600
33		1,098,600
34	Criminal justice enhancement fund	601,100
35	State education fund for committed	
36	youth	2,447,400
37	Performance measures:	
38	Escapes from DJC secure care facilities	0
39	Per cent of juveniles passing the GED	
40	language test	56
41	Per cent of juveniles who show progress in	
42	their primary treatment problem area	75
43	Per cent of juveniles returned to custody	
44	within 12 months of release	36

~~The department shall provide a travel stipend to all southwest regional juvenile correction complex staff whose residence is at least twenty miles from work.~~

Twenty-five per cent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the department of juvenile corrections, in compliance with section 25 of the enabling act and the Constitution of Arizona, to be used for the support of state juvenile institutions and reformatories.

Sec. 31. Senate Bill 1188, section 59, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 59. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

	<u>2009-10</u>
FTE positions	42.2
Lump sum appropriation	<del>\$ 2,724,000</del>
	\$ 700,000
Fund sources:	
State general fund	<del>\$ 2,724,000</del>
	\$ 700,000
Performance measures:	
Investigations and routine liquor inspections completed	3,750
Average calendar days to complete an investigation	14
Per cent of customers who responded to the survey reporting "very good" or "excellent" service	86

Sec. 32. Senate Bill 1188, section 60, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 60. ARIZONA STATE LOTTERY COMMISSION

	<u>2009-10</u>
FTE positions	104.0
Operating lump sum appropriation	\$ 7,996,600
Sales incentive program	50,000
Telecommunications	629,400
Advertising	<del>\$ 11,000,000</del>
	\$ 16,000,000
Lump sum reduction	<del>(1,394,400)</del>
	<u>(1,000,000)</u>
Total appropriation - Arizona state lottery commission	<del>\$ 18,281,600</del>
	\$ 23,676,000
Fund source:	
State lottery fund	<del>\$ 18,281,600</del>
	\$ 23,676,000

## 1           Performance measures:

2       Increase in online sales from prior year           \$ 5,922,100

3       Increase in instant ticket sales from  
4       prior year   \$ 3,380,5005       Customer satisfaction rating for retailers  
6       (Scale 1-8)   7.57       An amount equal to 3.6 per cent of actual instant ticket sales is  
8       appropriated for the printing of instant tickets or for contractual  
9       obligations concerning instant ticket distribution. This amount is currently  
10      estimated to be \$9,209,800 in fiscal year 2009-2010.11      An amount equal to a percentage of actual online game sales as  
12      determined by contract is appropriated for payment of online vendor fees.  
13      This amount is currently estimated to be \$9,129,300, or 4.0322 per cent of  
14      actual online ticket sales in fiscal year 2009-2010.15      An amount equal to 6.5 per cent of gross lottery game sales is  
16      appropriated for payment of sales commissions to ticket retailers. An  
17      additional amount of not to exceed 0.5 per cent of gross lottery game sales  
18      is appropriated for payment of sales commissions to ticket retailers. The  
19      combined amount is currently estimated to be 6.7 per cent of total ticket  
20      sales, or \$32,310,100 in fiscal year 2009-2010.21      Sec. 33. Senate Bill 1188, section 73, forty-ninth legislature, first  
22      regular session, as transmitted to the governor, is amended to read:

23      Sec. 73. STATE PARKS BOARD

24   2009-10  
25               FTE positions   232.3  
26               Operating lump sum appropriation           \$ 14,599,900  
27               Arizona trail   125,000  
28               Kartchner caverns state park               2,638,000  
29               Lump sum reduction                           ~~(5,097,100)~~  
30   (7,402,300)31      Total appropriation - Arizona state parks  
32               board   ~~\$ 12,265,800~~  
33   \$ 9,960,600

## 34           Fund sources:

35               ~~State general fund~~   ~~\$ 2,305,200~~  
36               State parks enhancement fund               8,416,500  
37               Law enforcement and boating  
38               safety fund   1,092,700  
39               Reservation surcharge revolving  
40               fund   451,400

## 41           Performance measures:

42      Annual park attendance                                       2,500,000

43      Per cent of park visitors rating their  
44      experience "good" or "excellent"                               95

The appropriation for law enforcement and boating safety fund projects is an estimate representing all monies distributed to this fund, including balance forward, revenue and transfers during fiscal year 2009-2010. These monies are appropriated to the Arizona state parks board for the purposes established in section 5-383, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect actual final receipts credited to the law enforcement and boating safety fund.

All other operating expenditures include \$26,000 from the state parks enhancement fund for Fool Hollow state park revenue sharing. If receipts to Fool Hollow exceed \$260,000 in fiscal year 2009-2010, an additional ten per cent of this increase of Fool Hollow receipts is appropriated from the state parks enhancement fund to meet the revenue sharing agreement with the city of Show Low and the United States forest service.

All reservation surcharge revolving fund receipts received by the Arizona state parks board in excess of \$451,400 in fiscal year 2009-2010 are appropriated to the reservation surcharge revolving fund. Before the expenditure of any reservation surcharge revolving fund monies in excess of \$451,400 in fiscal year 2009-2010, the Arizona state parks board shall submit the intended use of the monies for review by the joint legislative budget committee.

During fiscal year 2009-2010, no more than \$5,000 each year from appropriated or nonappropriated monies may be used for the purposes of out-of-state travel expenses by state parks board staff. No appropriated or nonappropriated monies may be used for out-of-country travel expenses. The state parks board shall submit by June 30, 2010, a report to the joint legislative budget committee on out-of-state travel activities and expenditures for that fiscal year.

Sec. 34. Senate Bill 1188, section 74, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 74. PERSONNEL BOARD

	<u>2009-10</u>
FTE positions	3.0
Lump sum appropriation	<del>\$ 302,000</del>
	\$ 329,100
Fund sources:	
<del>State general fund</del>	<del>\$ 302,000</del>
PERSONNEL BOARD ACCOUNT OF THE	
PERSONNEL DIVISION FUND	\$ 329,100
Performance measures:	
Average number of calendar days from	
receipt of appeal/complaint to final	113
Per cent of customers rating service as	
"good" or "excellent"	90



Sec. 35. Senate Bill 1188, section 83, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 83. DEPARTMENT OF PUBLIC SAFETY

		<u>2009-10</u>
	FTE positions	<del>2,114.8</del>
		2,099.8
	Operating lump sum appropriation	<del>\$198,398,600</del>
		\$197,032,600
	GIITEM	<del>32,306,200</del>
		21,397,400
	Motor vehicle fuel	3,935,500
	Photo radar enforcement	22,534,300
	Lump sum reduction	<del>(9,198,500)</del>
		<u>(8,246,100)</u>
	Total appropriation - department of public safety	<del>\$247,976,100</del>
		\$236,653,700
	Fund sources:	
	State general fund	<del>\$ 56,889,800</del>
		\$ 43,967,400
	Highway user revenue fund fees	78,169,500
	State highway fund	41,050,500
	Arizona highway patrol fund	19,947,500
	Criminal justice enhancement fund	3,077,100
	Safety enforcement and transportation infrastructure fund	1,615,600
	Crime laboratory assessment fund	5,500,300
	Crime laboratory operations fund	<del>8,800,000</del>
		10,400,000
	Arizona deoxyribonucleic acid identification system fund	3,357,500
	Automated fingerprint identification system fund	3,264,400
	Motorcycle safety fund	205,000
	Photo enforcement fund	22,534,300
	Risk management fund	296,200
	Parity compensation fund	3,268,400
	Performance measures:	
	Per cent of scientific analysis cases over 30 calendar days old	4.0
	Per cent of system reliability of the Arizona automated fingerprint identification network	98
	Clandestine labs dismantled	30

1        Of the ~~\$32,306,200~~ \$21,397,400 appropriated to GIITEM, ~~\$10,000,000~~  
2        \$2,603,400 shall be used for the multijurisdictional task force known as the  
3        gang and immigration intelligence team enforcement mission (GIITEM). If the  
4        department of public safety uses any of the monies appropriated for GIITEM  
5        for an agreement or contract with a city, town, county or other entity to  
6        provide services for the GIITEM program, the city, town, county or other  
7        entity shall provide not less than ~~twenty~~ TWENTY-FIVE per cent of the cost of  
8        the services and the department of public safety shall provide not more than  
9        eighty per cent of personal services and employee related expenditures for  
10       each agreement or contract but may fund all capital related equipment.  
11       Recognizing that states have inherent authority to arrest for any immigration  
12       violation, there continues to be a benefit with a 287G, including additional  
13       training and a partnership with immigration and customs enforcement and the  
14       federal government. The distribution of these monies are contingent on the  
15       department of public safety making all reasonable efforts to enter into a  
16       287G memorandum of understanding with the United States department of  
17       homeland security. The ~~\$10,000,000~~ \$2,603,400 shall be used for functions  
18       relating to immigration enforcement, including border security and border  
19       personnel, including any previously authorized allocations made in Laws 2008,  
20       chapter 285, section 14, as amended by Laws 2009, first special session,  
21       chapter 1, section 2. As state or local law enforcement officers come into  
22       any lawful contact with a suspected illegal alien or with a gang or suspected  
23       gang member the use of these monies is contingent on law enforcement agencies  
24       making every reasonable effort to determine the person's legal status and  
25       taking appropriate action that will not jeopardize an ongoing investigation.  
26       The ~~\$10,000,000~~ \$2,603,400 is exempt from the provisions of section 35-190,  
27       Arizona Revised Statutes, relating to the lapsing of appropriations. The  
28       department shall submit an expenditure plan to the joint legislative budget  
29       committee for review before expending any monies not identified in the  
30       department's previous expenditure plans. Within thirty days after the last  
31       day of each calendar quarter, the department shall provide a summary of  
32       quarterly and year-to-date expenditures and progress to the joint legislative  
33       budget committee including any prior year appropriations that were  
34       nonlapsing.

35       Of the ~~\$32,306,200~~ \$21,397,400 appropriated to GIITEM, ~~\$10,358,900~~  
36       \$9,400,900 shall be used for one hundred department of public safety GIITEM  
37       personnel. The additional staff shall include at least fifty sworn  
38       department of public safety positions to be used for immigration enforcement  
39       and border security and fifty department of public safety positions to assist  
40       GIITEM in various efforts, including: 1) arresting illegal aliens,  
41       2) responding to or assisting any county sheriff or attorney in investigating  
42       complaints of employment of illegal aliens, 3) investigating crimes of  
43       identity theft in the context of hiring illegal aliens and the unlawful entry  
44       into the country and 4) taking enforcement action, as permitted under federal  
45       law and the United States Constitution. As state and local law enforcement

1 officers come into contact with gang or suspected gang members the use of  
 2 these monies is contingent on law enforcement agencies verifying the  
 3 immigration status of these individuals and taking appropriate action that  
 4 will not jeopardize an ongoing investigation. The department shall submit an  
 5 expenditure plan to the joint legislative budget committee for review before  
 6 expending any monies not identified in the department's previous expenditure  
 7 plans. Within thirty days after the last day of each calendar quarter, the  
 8 department shall provide a summary of quarterly and year-to-date expenditures  
 9 and progress to the joint legislative budget committee including any prior  
 10 year appropriations that were nonlapsing.

11 For fiscal year 2009-2010, within thirty days after the last day of  
 12 each calendar quarter, the department shall report to the joint legislative  
 13 budget committee the following quarterly and year-to-date photo radar  
 14 enforcement information:

15 1. The total number of issued citations or notices of violation, paid  
 16 citations or notices of violation, notices of violation that were referred to  
 17 courts and mobile or stationary cameras in operation.

18 2. The total amount of citation and notice of violation revenue  
 19 generated, including how much revenue was distributed for DPS staff expenses,  
 20 for DPS vendor payments to the administrative office of the courts for  
 21 processing of citations and to the state general fund.

22 Any monies remaining in the department of public safety joint account  
 23 on June 30, 2010 shall revert to the funds from which they were appropriated.  
 24 The reverted monies shall be returned in direct proportion to the amounts  
 25 appropriated.

26 It is the intent of the legislature that the reductions included in the  
 27 lump sum reduction special line item shall not be taken against ~~GIITEM~~ or  
 28 sworn personnel.

29 Sec. 36. Senate Bill 1188, section 84, forty-ninth legislature, first  
 30 regular session, as transmitted to the governor, is amended to read:

31 Sec. 84. ARIZONA DEPARTMENT OF RACING

	<u>2009-10</u>
FTE positions	42.5
Lump sum appropriation	\$ 2,035,500
County fairs racing betterment	900,000
Arizona breeders' award	800,000
Arizona stallion award	100,000
County fair racing	400,000
Racing administration	67,000
COUNTY FAIRS LIVESTOCK AND	
AGRICULTURAL PROMOTION	<u>1,779,500</u>
Total appropriation - department of	
racing	<del>\$ 4,302,500</del>
	\$ 6,082,000

## 1 Fund sources:

2 State general fund \$ ~~4,302,500~~

3 \$ 6,082,000

4 THE AMOUNT APPROPRIATED TO THE COUNTY FAIRS LIVESTOCK AND AGRICULTURAL  
 5 PROMOTION LINE ITEM IS FOR DEPOSIT IN THE COUNTY FAIRS LIVESTOCK AND  
 6 AGRICULTURAL PROMOTION FUND.

## 7 Performance measures:

8 Per cent of horse racing customers reporting  
 9 "very good" or "excellent" service 95

10 Per cent of greyhound racing customers  
 11 reporting "very good" or "excellent" service 100

12 Per cent of positive horse drug tests 1.2

13 Per cent of positive greyhound drug tests 0.02

14 Sec. 37. Senate Bill 1188, section 91, forty-ninth legislature, first  
 15 regular session, as transmitted to the governor, is amended to read:

## 16 Sec. 91. DEPARTMENT OF REVENUE

17 2009-10

18 FTE positions 863.0

19 Operating lump sum appropriation \$ 72,749,700

20 BRITS operational support 3,623,700

21 TEMPORARY COLLECTORS \$ 3,000,000

22 Unclaimed property administration  
 23 and audit 2,963,200

24 Lump sum reduction (16,144,000)25 Total appropriation - department of revenue ~~\$ 63,192,600~~

26 \$ 66,192,600

## 27 Fund sources:

28 State general fund ~~\$ 62,131,500~~

29 \$ 40,631,500

## 30 DEPARTMENT OF REVENUE

31 ADMINISTRATIVE FUND 24,500,000

32 Liability setoff fund 398,300

33 Tobacco tax and health care fund 662,800

## 34 Performance measures:

35 Average calendar days to refund income tax 7.6

36 Per cent of written taxpayer inquiries  
 37 answered within 30 calendar days  
 38 of receipt 65

39 Customer satisfaction rating for taxpayer  
 40 information section (Scale 1-5) 4.7

41 The department shall provide the department's general fund revenue  
 42 enforcement goals for fiscal year 2009-2010 for review by the joint  
 43 legislative budget committee by July 31, 2009. The department shall provide  
 44 an annual progress report to the joint legislative budget committee as to the  
 45 effectiveness of the department's overall enforcement and collections program

for fiscal year 2009-2010 by July 31, 2010. The reports shall include a comparison of projected and actual general fund revenue enforcement collections for fiscal year 2009-2010.

THE \$3,000,000 APPROPRIATED FROM THE STATE GENERAL FUND FOR TEMPORARY COLLECTORS IS TO COLLECT ESTABLISHED DEBT. THE DEPARTMENT SHALL REPORT ITS RESULTS TO THE JOINT LEGISLATIVE BUDGET COMMITTEE ON OR BEFORE JANUARY 31, 2010.

Sec. 38. Senate Bill 1188, section 92, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 92. SCHOOL FACILITIES BOARD

	<u>2009-10</u>
FTE positions	18.0
Operating lump sum appropriation	\$ 1,948,800
New school facilities debt service	108,683,300
BUILDING RENEWAL GRANT	3,000,000
Lump sum reduction	<del>(1,031,300)</del>
	<u>(551,700)</u>
Total appropriation - school facilities board	<del>\$109,600,800</del>
	\$113,080,400
Fund sources:	
State general fund	<del>\$109,600,800</del>
	\$113,080,400

Performance measures:

Per cent of school districts inspected meeting minimum adequacy standards 22

Per cent of school districts rating the board's services as "good" or "excellent" in an annual survey 95

Sec. 39. Senate Bill 1188, section 93, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 93. DEPARTMENT OF STATE - SECRETARY OF STATE

	<u>2009-10</u>
FTE positions	43.3
Operating lump sum appropriation	\$ 2,717,900
Election services	1,011,000
Help America vote act	7,722,800
SPECIAL ELECTION	\$ 8,346,900
Lump sum reduction	<u>(150,000)</u>
Total appropriation - secretary of state	<del>\$ 11,301,700</del>
	\$ 19,648,600
Fund sources:	
State general fund	<del>\$ 3,480,700</del>
	\$ 11,827,600

1	Election systems improvement fund	7,722,800
2	Professional employer organization	
3	fund	98,200

4 Performance measures:

5	Per cent of documents returned to public	
6	filer in 48 hours (business services	
7	division)	75

8	Per cent of election law complaints reviewed	
9	and acted on within 7 days	100

10 The secretary of state shall report to the joint legislative budget  
 11 committee and the governor's office of strategic planning and budgeting by  
 12 December 31, 2009 the actual amount and purpose of expenditures from the  
 13 election systems improvement fund in fiscal year 2008-2009 and the expected  
 14 amount and purpose of expenditures from the fund for fiscal year 2009-2010.

15 Any transfer to or from the amount appropriated for the election  
 16 services line item shall require review by the joint legislative budget  
 17 committee.

18 The fiscal year 2009-2010 appropriation from the election systems  
 19 improvement fund for HAVA is available for use pursuant to section 35-143.01,  
 20 subsection C, Arizona Revised Statutes, and is exempt from the provisions of  
 21 section 35-190, Arizona Revised Statutes, relating to lapsing of  
 22 appropriations, until June 30, 2011.

23 Sec. 40. Senate Bill 1188, section 95, forty-ninth legislature, first  
 24 regular session, as transmitted to the governor, is amended to read:

25 Sec. 95. STATE BOARD OF TAX APPEALS

26		<u>2009-10</u>
27	FTE positions	4.0
28	Lump sum appropriation	<del>\$ 261,300</del>
29		\$ 278,300

30 Fund sources:

31	State general fund	<del>\$ 261,300</del>
32		\$ 278,300

33 Performance measures:

34	Months to process appeal	4.5
35	Per cent of rulings upheld in tax courts	90.0
36	Customer satisfaction rating (Scale 1-8)	7.0

37 Sec. 41. Senate Bill 1188, section 97, forty-ninth legislature, first  
 38 regular session, as transmitted to the governor, is amended to read:

39 Sec. 97. DEPARTMENT OF TRANSPORTATION

40		<u>2009-10</u>
41	<u>Administration</u>	
42	FTE positions	<del>412.0</del>
43		4,548.0

1	Operating Lump sum appropriation	<del>\$ 42,437,400</del>
2		\$433,991,700
3	Attorney general legal services	<u>3,052,600</u>
4	Total appropriation — administration	\$ 45,490,000
5	Fund sources:	
6	State highway fund	<del>\$ 45,490,000</del>
7	<del>It is the intent of the legislature that the department not include any</del>	
8	<del>administrative overhead expenditures in duplicate drivers' license fees</del>	
9	<del>charged to the public.</del>	
10	<u>Highways</u>	
11	FTE positions	2,548.0
12	Operating lump sum appropriation	<del>\$137,950,400</del>
13	Highway maintenance	136,566,300
14	Vehicles and heavy equipment	<u>32,154,700</u>
15	Total — highways	\$306,671,400
16	Fund sources:	
17	State general fund	<del>\$ — 63,100</del>
18	Safety enforcement and	
19	transportation	
20	infrastructure fund	558,700
21	State highway fund	273,894,900
22	Transportation department	
23	equipment fund	32,154,700
24	FUND SOURCES:	
25	STATE GENERAL FUND	\$ 63,100
26	AIR QUALITY FUND	71,700
27	DRIVING UNDER THE INFLUENCE	
28	ABATEMENT FUND	143,300
29	HIGHWAY USER REVENUE FUND FEES	617,000
30	MOTOR VEHICLE LIABILITY INSURANCE	
31	ENFORCEMENT FUND	2,177,500
32	SAFETY ENFORCEMENT AND TRANSPORTATION	
33	INFRASTRUCTURE FUND	2,158,000
34	STATE AVIATION FUND	1,862,400
35	STATE HIGHWAY FUND	395,580,000
36	TRANSPORTATION DEPARTMENT	
37	EQUIPMENT FUND	29,636,200
38	VEHICLE INSPECTION AND TITLE	
39	ENFORCEMENT FUND	1,682,500
40	Performance measures:	
41	Per cent of Maricopa regional freeway	
42	travel lane miles completed for	
43	the twenty-year half cent sales tax	
44	extension effective January 1, 2006	10.5

1	Per cent of overall highway construction	
2	projects completed on schedule	97
3	AVERAGE MVD OFFICE WAIT TIME FROM ARRIVING AT	
4	MVD OFFICE TO RECEIVING NUMBERED TICKET	
5	(MINUTES)	2.0
6	AVERAGE MVD OFFICE WAIT TIME FROM RECEIVING	
7	NUMBERED TICKET TO ARRIVING AT COUNTER	
8	(MINUTES)	12.5
9	PER CENT OF MVD OFFICE CUSTOMERS RATING	
10	SERVICES "GOOD" OR "EXCELLENT"	83
11	AVERAGE TELEPHONE WAIT TIME TO SPEAK	
12	TO AN MVD EMPLOYEE (MINUTES)	15.2
13	PER CENT OF ALTERNATIVE VEHICLE	
14	REGISTRATION RENEWAL METHODS	
15	(MAIL, INTERNET, THIRD PARTY)	80
16	PER CENT OF AIRPORT DEVELOPMENT PROJECTS	
17	COMPLETED ON SCHEDULE	95

18 IT IS THE INTENT OF THE LEGISLATURE THAT THE DEPARTMENT NOT INCLUDE ANY  
 19 ADMINISTRATIVE OVERHEAD EXPENDITURES IN DUPLICATE DRIVER LICENSE FEES CHARGED  
 20 TO THE PUBLIC.

21 Of the total amount appropriated ~~for the highways program~~, \$136,566,300  
 22 in fiscal year 2009-2010 for highway maintenance is exempt from the  
 23 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing  
 24 of appropriations, except that all unexpended and unencumbered monies of the  
 25 appropriation revert to their fund of origin, either the state highway fund  
 26 or the safety enforcement and transportation infrastructure fund, on August  
 27 31, 2010.

28 Of the total amount appropriated ~~for the highways program~~, \$2,663,000  
 29 in fiscal year 2009-2010 is for performance pay for participants in the  
 30 department's engineer pay plan. The department shall establish performance  
 31 measures with measurable quality and quantity objectives for participants in  
 32 the engineer pay plan that are designed to result in increased productivity  
 33 and improved quality of the delivery of state services or products. The  
 34 department shall either apply these performance measures to the entire  
 35 engineer pay plan or apply relevant performance measures to subsets within  
 36 the engineer pay plan either on a group or individual basis. Every quarter  
 37 or month, the department shall review the participants' performance to  
 38 determine if the performance measures were met. If the performance measures  
 39 are met or exceeded, the applicable participants are entitled to receive the  
 40 performance pay for the corresponding quarter.

41	<del>Motor vehicle</del>	
42	<del>FTE positions</del>	<del>1,755.0</del>
43	<del>Operating lump sum appropriation</del>	<del>\$107,966,800</del>
44	<del>Abandoned vehicle administration</del>	<del>1,039,800</del>



1	Fraud investigation	788,300
2	New third party funding	<u>933,500</u>
3	Total appropriation motor vehicle	<u>\$110,728,400</u>
4	Fund sources:	
5	Air quality fund	\$ 71,700
6	Driving under the influence	
7	abatement fund	143,300
8	Highway user revenue fund fees	617,000
9	Motor vehicle liability insurance	
10	enforcement fund	2,419,500
11	Safety enforcement and	
12	transportation infrastructure	
13	fund	1,599,300
14	State highway fund	104,195,100
15	Vehicle inspection and title	
16	enforcement fund	1,682,500
17	Performance measures:	
18	Average office wait time from arriving at	
19	MVD office to receiving numbered ticket	
20	(minutes)	2.0
21	Average office wait time from receiving	
22	numbered ticket to arriving at counter	
23	(minutes)	12.5
24	Per cent of office customers rating	
25	services "good" or "excellent"	83
26	Average telephone wait time to speak	
27	to an MVD employee (minutes)	15.2
28	Per cent of alternative vehicle	
29	registration renewal methods	
30	(mail, internet, third party)	80
31	The department shall not transfer any funds to or from the motor	
32	vehicle division without the review by the joint legislative budget	
33	committee.	
34	The department of transportation shall submit quarterly progress	
35	reports to the joint legislative budget committee on progress in improving	
36	motor vehicle division wait times and vehicle registration renewal by mail	
37	turnaround times. The reports shall document the monthly averages for the	
38	total time customers spent at the office and the reasons for changes in these	
39	times for each motor vehicle division field office equipped with electronic	
40	customer monitoring devices. The reports shall document the wait time to get	
41	a numbered ticket from a motor vehicle division employee, the time between	
42	receiving the numbered ticket and arriving at the counter and the transaction	
43	time at the counter. The reports shall document the number of customers who	
44	arrived at motor vehicle division offices but who did not complete their	
45	transaction, and the motor vehicle division's average turnaround time for	

1 vehicle registration renewal by mail. The reports shall include details by  
 2 office for all offices in the metropolitan areas that are defined to include  
 3 all of Maricopa county, Apache Junction, Tucson and Flagstaff, and summarized  
 4 for the nonmetropolitan areas. In addition to documenting wait times, the  
 5 reports shall document the number of primary transactions (driver licenses,  
 6 titles and vehicle registrations) and secondary transactions (all others),  
 7 the number of counter positions assigned and filled and the productivity  
 8 levels (the average number of primary transactions completed by staff and the  
 9 average number of secondary transactions completed by staff). The reports  
 10 shall document the number of primary and secondary transactions completed by  
 11 third parties by metropolitan and nonmetropolitan area offices. The reports  
 12 are due within thirty days after the end of each calendar quarter.

13	<u>Aeronautics</u>	
14	FTE positions	33.0
15	Lump sum appropriation	\$—2,247,000
16	Fund sources:	
17	State aviation fund	\$—2,247,000
18	Performance measures:	
19	Per cent of airport development projects	
20	completed on schedule	95
21	Lump sum FTE position reduction	(200.0)
22	<u>Lump sum reduction</u>	\$(47,027,800)
23	Fund sources:	
24	Motor vehicle liability insurance	
25	enforcement fund	\$(242,000)
26	State aviation fund	(384,600)
27	State highway fund	(42,003,600)
28	Transportation department	
29	equipment fund	<u>—(4,397,600)</u>
30	Total appropriation — Arizona department	
31	of transportation	\$418,109,000
32	Fund sources:	
33	State general fund	\$—63,100
34	Air quality fund	71,700
35	Driving under the influence	
36	abatement fund	143,300
37	Highway user revenue fund fees	617,000
38	Motor vehicle liability	
39	insurance enforcement fund	2,177,500

1	Safety enforcement and	
2	transportation infrastructure	
3	fund	2,158,000
4	State aviation fund	1,862,400
5	State highway fund	381,576,400
6	Transportation department	
7	equipment fund	27,757,100
8	Vehicle inspection and title	
9	enforcement fund	1,682,500

10 Of the \$418,109,000 \$433,991,700 appropriation to the department of  
 11 transportation, the department of transportation shall pay \$16,773,800 in  
 12 fiscal year 2009-2010 from all funds to the department of administration for  
 13 its risk management payment.

14 ANY TRANSFER TO OR FROM AN OPERATING BUDGET OR SPECIAL LINE ITEM AS  
 15 OUTLINED IN THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF FISCAL YEAR  
 16 2009-2010 APPROPRIATIONS REPORT THAT EQUALS OR EXCEEDS \$1,000,000 IN TOTAL  
 17 FOR FISCAL YEAR 2009-2010 MUST BE REVIEWED BY THE JOINT LEGISLATIVE BUDGET  
 18 COMMITTEE. ANY TRANSFERS BELOW \$1,000,000 SHALL BE REPORTED TO THE JOINT  
 19 LEGISLATIVE BUDGET COMMITTEE STAFF.

~~20 Sec. 42. Senate Bill 1188, section 105, forty ninth legislature, first~~  
 21 ~~regular session, as transmitted to the governor, is amended to read:~~

22 ~~Sec. 105. UNIVERSITY LUMP SUM REDUCTION~~

23 ~~Lump sum reduction \$(40,000,000)~~

24 ~~Fund sources:~~

25 ~~State general fund \$(40,000,000)~~

26 On or before August 1, 2009, the Arizona board of regents shall report  
 27 to the joint legislative budget committee the final allocation of the  
 28 \$40,000,000 lump sum reduction. The Arizona board of regents shall allocate  
 29 the \$40,000,000 lump sum reduction by campus for Arizona state university.  
 30 The final allocation shall not increase differences in per student funding  
 31 among the universities. The \$40,000,000 lump sum reduction is in addition to  
 32 lump sum reductions separately delineated in individual university budget  
 33 sections.

34 ~~Lump sum reduction deferral \$(100,000,000)~~

35 ~~Fund sources:~~

36 ~~State general fund \$(100,000,000)~~

37 ~~The Arizona board of regents shall defer funding to the institutions~~  
 38 ~~under its jurisdiction in proportion to the state general fund appropriation~~  
 39 ~~received by each institution.~~

Sec. 43. Senate Bill 1188, section 109, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 109. DEPARTMENT OF WEIGHTS AND MEASURES

2009-10

## General services

FTE positions	22.9
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Lump sum appropriation	\$ 1,916,500
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Fund sources:

State general fund	\$ 1,593,600
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Motor vehicle liability insurance	
enforcement fund	322,900

Vapor recovery

FTE positions	8.5
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Lump sum appropriation	\$ 638,400
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Fund sources:

Air quality fund	\$ 638,400
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Oxygenated fuel

FTE positions	6.0
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Lump sum appropriation	\$ 885,400
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Fund sources:

Air quality fund	\$ 885,400
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<u>Lump sum reduction</u>	<del>\$ (575,200)</del>
	\$ (307,600)

Fund sources:

State general fund	<del>\$ (350,300)</del>
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\$ (278,000)

Air quality fund	(224,900)
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(29,600)

Total appropriation - department of weights and measures	<del>\$ 2,865,100</del> \$ 3,132,700
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Fund sources:

State general fund	<del>\$ 1,243,300</del>
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\$ 1,315,600

Air quality fund	<del>1,298,900</del>
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1,494,200

Motor vehicle liability insurance	
enforcement fund	322,900

Performance measures:

Average customer satisfaction rating (Scale 1-5)	4.7
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Per cent of retail stores' price scanning devices in compliance	78
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1 Per cent of cleaner burning gas  
2 samples in compliance with oxygenated  
3 fuel standards 100  
4 Per cent of gasoline dispensing facilities  
5 inspected annually that are in compliance  
6 with vapor recovery standards 88  
7 Sec. 44. Senate Bill 1188, section 110, forty-ninth legislature, first  
8 regular session, as transmitted to the governor, is amended to read:  
9 Sec. 110. Transfer of fund monies to the state general fund:  
10 fiscal year 2009-2010  
11 A. Notwithstanding any other law, on or before June 30, 2010, the  
12 following amounts from the following funds or sources are transferred to the  
13 state general fund for the purposes of providing adequate support and  
14 maintenance for agencies of this state:  
15 1. Department of administration  
16 Admin - AFIS II collections fund:  
17 Salary reduction 64,300  
18 Spending reduction 173,900  
19 Air quality fund:  
20 Spending reduction 85,000  
21 Automation operations fund:  
22 Salary reduction 992,500  
23 Spending reduction 2,409,000  
24 ~~Capital outlay stabilization fund:~~  
25 ~~Salary reduction 316,900~~  
26 ~~Spending reduction 1,300,000~~  
27 Construction insurance fund:  
28 Excess balance 1,507,700  
29 Co-op state purchasing fund:  
30 Salary reduction 22,300  
31 Spending reduction 44,000  
32 Corrections fund:  
33 Salary reduction 48,300  
34 Spending reduction 73,400  
35 Emergency telecommunication services  
36 revolving fund:  
37 Salary reduction 30,900  
38 Employee travel reduction fund:  
39 Salary reduction 36,100  
40 Motor vehicle pool revolving fund:  
41 Salary reduction 78,700  
42 Spending reduction 1,272,700  
43 Personnel division fund:  
44 Salary reduction 740,600  
45 Spending reduction 1,888,100

1	Risk management revolving fund:	
2	Salary reduction	581,300
3	Special employee health insurance	
4	trust fund:	
5	Salary reduction	251,100
6	Special services revolving fund:	
7	Salary reduction	34,200
8	Spending reduction	216,500
9	State surplus materials revolving fund:	
10	Salary reduction	62,200
11	Spending reduction	425,800
12	Telecommunications fund:	
13	Salary reduction	152,700
14	Excess balance	917,300
15	Spending reduction	1,115,800
16	Telecommunications fund:	
17	Infrastructure improvements	
18	account transfer	<del>12,000,000</del>
19		5,800,000
20	2. Arizona health care cost containment system:	
21	AHCCCS third party collections fund:	
22	Excess balance	130,700
23	Healthcare group fund:	
24	Salary reduction	361,900
25	Intergovernmental services fund:	
26	Excess balance	273,200
27	3. Arizona commission on the arts:	
28	Arts endowment fund:	
29	Transfer	<del>15,000,000</del>
30		4,652,300
31	Arts special revenues fund:	
32	Salary reduction	12,500
33	4. Attorney general:	
34	Anti-racketeering revolving fund:	
35	Salary reduction	139,200
36	Spending reduction	500,000
37	Attorney general legal services cost	
38	allocation fund:	
39	Salary reduction	606,600
40	Collection enforcement revolving fund:	
41	Salary reduction	365,500
42	Spending reduction	1,000,000
43	Consumer protection - consumer fraud	
44	revolving fund:	
45	Salary reduction	164,300

1	Risk management revolving fund:	
2	Salary reduction	789,000
3	Victims' rights fund:	
4	Salary reduction	33,000
5	5. Automobile theft authority:	
6	Automobile theft authority fund:	
7	Salary reduction	40,600
8	6. Department of commerce:	
9	Arizona job training fund:	
10	Salary reduction	<del>30,900</del>
11		100,000
12	Excess balance	<del>30,000,000</del>
13		18,275,000
14	Spending reduction	<del>1,850,000</del>
15		1,835,000
16	Commerce and economic development	
17	commission fund:	
18	<del>Salary reduction</del>	<del>73,200</del>
19	Excess balance	<del>2,693,700</del>
20		2,161,200
21	<del>Spending reduction</del>	<del>394,300</del>
22	Commerce development bond fund:	
23	Excess balance	699,000
24	Commerce workshops fund:	
25	Spending reduction	51,600
26	GADA revolving fund:	
27	Salary reduction	<del>19,800</del>
28		18,800
29	Excess balance	<del>1,579,000</del>
30		500,000
31	Spending reduction	<del>55,600</del>
32		50,000
33	State lottery fund:	
34	Salary reduction	19,500
35	7. Registrar of contractors:	
36	Registrar of contractors fund:	
37	<del>Salary reduction</del>	<del>696,000</del>
38	Excess balance	<del>664,000</del>
39		2,576,400
40	<del>Spending reduction</del>	<del>1,216,400</del>
41	Residential contractors' recovery fund:	
42	Excess balance	1,836,500

1	8. Corporation commission:	
2	Investment management regulatory and	
3	enforcement fund:	
4	Salary reduction	73,500
5	Excess balance	433,300
6	Spending reduction	92,900
7	Public access fund:	
8	Salary reduction	255,700
9	Excess balance	284,200
10	<del>Securities regulatory and enforcement</del>	
11	<del>fund:</del>	
12	<del>Salary reduction</del>	<del>295,500</del>
13	<del>Spending reduction</del>	<del>392,100</del>
14	Utility regulation revolving fund:	
15	<del>Salary reduction</del>	<del>1,038,400</del>
16	Excess balance	278,300
17		2,004,300
18	9. Department of corrections:	
19	Arizona correctional industries	
20	revolving fund:	
21	Salary reduction	598,600
22	Excess balance	391,700
23	Corrections fund:	
24	Salary reduction	37,200
25	Indirect cost recovery fund:	
26	Spending reduction	122,400
27	Special services fund:	
28	Excess balance	454,700
29	State DOC revolving transition fund:	
30	Spending reduction	341,000
31	State education fund for correctional	
32	education:	
33	Salary reduction	35,700
34	Transition program drug treatment fund:	
35	Excess balance	119,800
36	10. Arizona criminal justice commission:	
37	Criminal justice enhancement fund:	
38	Salary reduction	48,600
39	Excess balance	400,000
40	Drug and gang enforcement account:	
41	Salary reduction	59,200
42	Driving under the influence abatement fund:	
43	Excess balance	500,000
44	State aid to county attorneys fund:	
45	Excess balance	100,000



1	State aid to indigent defense fund:	
2	Excess balance	209,100
3	11. Commission for the deaf and hard of hearing:	
4	Telecommunication fund for the deaf:	
5	Salary reduction	95,200
6	Excess balance	474,600
7	Spending reduction	944,100
8	12. Drug and gang prevention resource center:	
9	Drug and gang prevention resource	
10	center fund:	
11	Excess balance	206,300
12	Salary reduction	22,500
13	Spending reduction	44,700
14	13. Department of economic security:	
15	<del>Arizona training program at Phoenix</del>	
16	<del>closure fund:</del>	
17	<del>Excess balance</del>	<del>1,450,400</del>
18	Child support enforcement administration	
19	fund:	
20	Salary reduction	796,900
21	Domestic violence shelter fund:	
22	Excess balance	483,800
23		963,800
24	<del>Spending reduction</del>	<del>480,000</del>
25	<del>Industries for the blind fund:</del>	
26	<del>Salary reduction</del>	<del>360,100</del>
27	<del>Long term care system fund:</del>	
28	<del>Spending reduction</del>	<del>2,972,600</del>
29	Public assistance collections fund:	
30	Salary reduction	40,500
31	Spending reduction	51,700
32	Special administration fund:	
33	Excess balance	704,200
34	Spending reduction	347,000
35	Spinal and head injuries trust fund:	
36	Salary reduction	43,700
37	Excess balance	590,600
38	Spending reduction	513,200
39	14. Arizona department of education:	
40	Internal services fund:	
41	Spending reduction	471,100
42	Education production revolving fund:	
43	Salary reduction	43,700
44	Spending reduction	217,000

1	Teacher certification fund:	
2	Salary reduction	187,300
3	15. Department of environmental quality:	
4	Air permits administration fund:	
5	Salary reduction	339,900
6	Excess balance	<del>1,498,500</del>
7		2,630,800
8	Air quality fund:	
9	Salary reduction	156,200
10	Excess balance	2,113,100
11	Spending reduction	522,800
12	Emissions inspection fund:	
13	Salary reduction	138,400
14	Excess balance	<del>7,000,000</del>
15		8,300,000
16	Greenfields program fund:	
17	Excess balance	100,000
18	Indirect cost recovery fund:	
19	Salary reduction	500,700
20	Excess balance	2,616,600
21	Spending reduction	1,074,800
22	Monitoring assistance fund:	
23	Excess balance	179,100
24	Spending reduction	74,100
25	Recycling fund:	
26	Salary reduction	34,900
27	Excess balance	550,000
28	Spending reduction	2,290,900
29	Solid waste fee fund:	
30	Salary reduction	59,300
31	Spending reduction	200,900
32	Underground storage tank revolving fund:	
33	Salary reduction	393,900
34	EXCESS BALANCE	12,821,100
35	Spending reduction	<del>3,821,100</del>
36		2,000,000
37	Voluntary remediation fund:	
38	Salary reduction	21,500
39	Voluntary vehicle repair and retrofit	
40	program fund:	
41	Excess balance	484,600
42	Spending reduction	1,045,900
43	Water quality assurance revolving fund:	
44	Salary reduction	371,300

1	Water quality fee fund:	
2	Salary reduction	281,800
3	Excess balance	733,000
4	16. Arizona exposition and state fair board:	
5	Arizona exposition and state fair fund:	
6	Salary reduction	552,000
7	Excess balance	373,200
8	Spending reduction	1,130,000
9	17. Department of financial institutions:	
10	Arizona escrow guaranty fund:	
11	Excess balance	1,017,500
12	Revolving fund:	
13	Salary reduction	55,200
14	Spending reduction	120,900
15	18. Arizona game and fish department:	
16	Heritage fund:	
17	Salary reduction	471,200
18	Off-highway vehicle recreation fund:	
19	Salary reduction	31,900
20	Spending reduction	46,700
21	Watercraft licensing fund:	
22	Salary reduction	115,100
23	Excess balance	265,600
24		951,500
25	Spending reduction	570,800
26	19. Government information technology agency:	
27	Information technology fund:	
28	Salary reduction	250,700
29	Excess balance	219,200
30	Spending reduction	368,300
31		199,900
32	State web portal fund:	
33	Spending reduction	1,100,000
34	<del>20. Office of the governor:</del>	
35	<del>    Prevention of child abuse fund:</del>	
36	<del>        Spending reduction</del>	<del>63,000</del>
37	<del>21. 20. Department of health services:</del>	
38	Child fatality review fund:	
39	Excess balance	135,300
40	Emergency medical services operating	
41	fund:	
42	Salary reduction	249,300
43	Excess balance	685,800
44	Spending reduction	598,300

1	Environmental laboratory licensure	
2	revolving fund:	
3	Salary reduction	41,300
4	Hearing and speech professionals fund:	
5	Salary reduction	20,900
6	Indirect cost fund:	
7	Salary reduction	382,300
8	Excess balance	707,800
9	Spending reduction	907,600
10	Substance abuse services fund:	
11	Excess balance	408,800
12	Spending reduction	250,000
13	Vital records electronic systems fund:	
14	Salary reduction	16,000
15	Excess balance	378,400
16	Spending reduction	50,000
17	<del>22.</del> 21. Department of housing:	
18	HOUSING TRUST FUND:	
19	EXCESS BALANCE	2,000,000
20	Housing program fund:	
21	Salary reduction	274,600
22	Excess balance	1,818,400
23	Spending reduction	459,100
24	<del>23.</del> 22. Industrial commission:	
25	Industrial commission administrative	
26	fund:	
27	<del>Salary reduction</del>	<del>1,258,800</del>
28	Excess balance	429,100
29		3,673,900
30	<del>Spending reduction</del>	<del>1,986,000</del>
31	<del>24.</del> 23. Department of insurance:	
32	Captive insurance regulatory and	
33	supervision fund:	
34	Salary reduction	13,100
35	Spending reduction	52,300
36	Financial surveillance fund:	
37	Salary reduction	31,600
38	Insurance examiners' revolving fund:	
39	Salary reduction	113,500
40	Spending reduction	482,100
41	<del>25.</del> 24. Judiciary - Supreme court:	
42	Alternative dispute resolution fund:	
43	Spending reduction	74,700
44	Arizona lengthy trial fund:	
45	Excess balance	260,700

1	Court appointed special advocate fund:	
2	Salary reduction	34,500
3	Spending reduction	465,500
4	Criminal justice enhancement fund:	
5	Salary reduction	17,000
6	Excess balance	183,000
7	Defensive driving school fund:	
8	Salary reduction	66,500
9	Excess balance	1,531,400
10	Public defender training fund:	
11	Spending reduction	71,000
12	State aid to the courts fund:	
13	Excess balance	535,100
14	<del>26.</del> 25. Judiciary - Superior court	
15	Criminal justice enhancement fund:	
16	Salary reduction	45,200
17	Drug treatment and education fund:	
18	Salary reduction	31,100
19	<del>27.</del> 26. Department of juvenile corrections:	
20	Criminal justice enhancement fund:	
21	Salary reduction	16,800
22	Spending reduction	68,700
23	State education fund for committed youth:	
24	Salary reduction	237,400
25	<del>28.</del> 27. State land department:	
26	Cooperative forestry fund:	
27	Salary reduction	45,400
28	Fire suppression fund:	
29	Salary reduction	280,100
30	<del>29.</del> 28. Legislature - house of representatives:	
31	Excess balance	2,000,000
32	<del>30.</del> 29. Department of liquor licenses and control:	
33	Liquor license special collections fund:	
34	Excess balance	116,600
35	<del>31.</del> 30. Arizona state lottery commission:	
36	State lottery fund:	
37	Salary reduction	594,700
38		200,300
39	Spending reduction	799,700
40	State lottery fund - advertising:	
41	Transfer	9,162,700
42		4,162,700
43	State lottery fund - unclaimed prizes:	
44	Transfer	1,398,400

1	<del>32.</del>	31. Department of mines and mineral resources:	
2		Mines and mineral resources fund:	
3		Salary reduction	16,200
4	<del>33.</del>	32. Parents commission on drug education and	
5		prevention:	
6		Drug treatment and education fund:	
7		Excess balance	175,900
8		Spending reduction	427,600
9	<del>34.</del>	33. Arizona state parks board:	
10		Heritage fund:	
11		Salary reduction	163,900
12		Off-highway vehicle recreation fund:	
13		Salary reduction	50,300
14		Excess balance	467,500
15		Spending reduction	66,300
16		Partnership fund:	
17		Salary reduction	14,000
18		Publications and souvenir revolving fund:	
19		Salary reduction	22,700
20		Reservation surcharge revolving fund:	
21		Salary reduction	41,800
22		Spending reduction	54,800
23		State lake improvement fund:	
24		<del>Salary reduction</del>	<del>185,400</del>
25		Excess balance	4,753,000
26			3,048,200
27		<del>Spending reduction</del>	<del>415,000</del>
28		State parks fund:	
29		Salary reduction	19,700
30		State parks enhancement fund:	
31		Salary reduction	557,600
32		Excess balance	1,901,500
33		Spending reduction	725,900
34	<del>35.</del>	34. Commission for postsecondary education:	
35		Early graduation scholarship fund:	
36		Excess balance	2,863,800
37		Spending reduction	57,800
38	<del>36.</del>	35. Department of public safety:	
39		Anti-racketeering fund:	
40		Salary reduction	84,500
41		Automatic fingerprint identification	
42		fund:	
43		Salary reduction	29,000
44		Excess balance	71,900

1	Board of fingerprinting fund:	
2	Salary reduction	37,600
3	Spending reduction	29,500
4	Crime laboratory assessment fund:	
5	Salary reduction	347,600
6	Criminal justice enhancement fund:	
7	Salary reduction	215,000
8	Excess balance	206,600
9	DNA identification system fund:	
10	Salary reduction	267,100
11	Excess balance	552,300
12	DNA identification system fund:	
13	Garage fund transfer	2,504,000
14	Department of public safety	
15	administration fund:	
16	Salary reduction	65,000
17	Department of public safety licensing	
18	fund:	
19	Salary reduction	77,700
20	Excess balance	96,700
21	Fingerprint clearance card fund:	
22	Salary reduction	184,900
23	Excess balance	193,800
24	Highway patrol fund:	
25	Salary reduction	1,498,800
26	Indirect cost recovery fund:	
27	Salary reduction	77,000
28	Motorcycle safety fund:	
29	Excess balance	100,000
30	Parity compensation fund:	
31	Salary reduction	271,100
32	Excess balance	455,400
33	Peace officers training fund:	
34	Salary reduction	189,000
35	Excess balance	181,200
36	Public safety equipment fund:	
37	Spending reduction	<del>2,485,400</del>
38		755,400
39	Records processing fund:	
40	Salary reduction	78,900
41	Excess balance	49,500
42	Spending reduction	567,800

1	<del>37.</del>	36. Arizona department of racing:	
2		Arizona breeders award fund:	
3		Excess balance	131,300
4		County fairs racing betterment fund:	
5		Excess balance	182,600
6	<del>38.</del>	37. Radiation regulatory agency:	
7		Radiation certification fund:	
8		Salary reduction	21,300
9	<del>39.</del>	38. Residential utility consumer office:	
10		Residential utility consumer office	
11		revolving fund:	
12		Excess balance	219,400
13	<del>40.</del>	39. Department of revenue:	
14		Estate and unclaimed property fund:	
15		Excess balance	1,011,000
16		Liability set-off fund:	
17		Salary reduction	23,700
18		Excess balance	177,500
19	<del>41.</del>	40. School facilities board:	
20		School facilities revenue bond debt	
21		service fund:	
22		Transfer	880,000
23		State school trust revenue bond debt	
24		service fund:	
25		Transfer	500,000
26	<del>42.</del>	41. Office of tourism:	
27		Tourism fund:	
28		Excess balance	400,000
29	<del>43.</del>	42. Department of transportation:	
30		Arizona highways magazine fund:	
31		<del>Salary reduction</del>	<del>236,500</del>
32		Excess balance	404,500
33			20,000
34		<del>Spending reduction</del>	<del>647,800</del>
35		Economic strength project fund:	
36		Excess balance	684,700
37		Spending reduction	100,000
38		Motor vehicle liability insurance	
39		enforcement fund:	
40		Excess balance	266,700
41		Spending reduction	242,000
42		State aviation fund:	
43		Salary reduction	150,900
44		Excess balance	731,400
45		Spending reduction	233,700



1	Transportation department equipment	
2	fund:	
3	Salary reduction	1,182,100
4	Excess balance	1,989,200
5	Spending reduction	3,215,500
6		2,518,500
7	Vehicle inspection and title	
8	enforcement fund:	
9	Excess balance	278,100
10	<del>44.</del> 43. Arizona board of regents:	
11	Regents local fund:	
12	Salary reduction	75,900
13	Spending reduction	152,700
14	<del>45. Arizona state university -- main campus:</del>	
15	<del>Auxiliary fund:</del>	
16	<del>Salary reduction</del>	<del>2,848,600</del>
17	<del>Excess balance</del>	<del>3,852,900</del>
18	<del>Spending reduction</del>	<del>10,237,200</del>
19	<del>46. Arizona state university -- East campus:</del>	
20	<del>Auxiliary fund:</del>	
21	<del>Salary reduction</del>	<del>59,600</del>
22	<del>Spending reduction</del>	<del>123,000</del>
23	<del>47. Arizona state university -- West campus:</del>	
24	<del>Auxiliary fund:</del>	
25	<del>Salary reduction</del>	<del>35,100</del>
26	<del>Excess balance</del>	<del>79,200</del>
27	<del>Spending reduction</del>	<del>101,000</del>
28	<del>48. Northern Arizona university:</del>	
29	<del>Auxiliary fund:</del>	
30	<del>Salary reduction</del>	<del>1,010,300</del>
31	<del>Excess balance</del>	<del>2,622,100</del>
32	<del>Spending reduction</del>	<del>2,701,600</del>
33	<del>49. University of Arizona -- main campus:</del>	
34	<del>Auxiliary fund:</del>	
35	<del>Salary reduction</del>	<del>4,203,900</del>
36	<del>Excess balance</del>	<del>7,084,000</del>
37	<del>Spending reduction</del>	<del>13,242,600</del>
38	<del>50. University of Arizona -- health sciences</del>	
39	<del>center:</del>	
40	<del>Auxiliary fund:</del>	
41	<del>Salary reduction</del>	<del>426,400</del>
42	<del>Excess balance</del>	<del>527,300</del>
43	<del>Spending reduction</del>	<del>712,500</del>

1	<del>51.</del>	44. Department of veterans' services:	
2		Veterans' cemetery fund:	
3		Excess balance	121,600
4	<del>52.</del>	45. Department of water resources:	
5		<del>Arizona water banking fund:</del>	
6		<del>Excess balance</del>	<del>4,000,000</del>
7		Arizona water protection fund:	
8		Excess balance	2,346,000
9		Arizona water quality fund:	
10		Salary reduction	31,700
11		Excess balance	152,600
12		Spending reduction	56,300
13		Assured and adequate water supply fund:	
14		Salary reduction	61,100
15		Spending reduction	111,900
16		Augmentation and conservation	
17		assistance fund:	
18		Salary reduction	24,600
19		Spending reduction	110,500
20		Dam repair fund:	
21		Excess balance	378,400
22		Indirect cost recovery fund:	
23		Salary reduction	92,100
24		Excess balance	205,100
25		Spending reduction	163,300
26		Well administration and enforcement fund:	
27		Salary reduction	44,200
28		Spending reduction	78,800
29	<del>53.</del>	46. Department of weights and measures:	
30		Air quality fund:	
31		<del>Salary reduction</del>	<del>70,600</del>
32		<del>Spending reduction</del>	<del>154,300</del>
33			29,600

B. Agencies listed shall reduce expenditures from the listed funds accordingly in order to ensure a sufficient fund balance for these fund transfers.

C. The fund transfers in this section shall be made as soon as is practicable to avoid a shortfall in each fund. On or before August 1, 2009, the governor's office of strategic planning and budgeting shall report to the joint legislative budget committee on any fund transfers that have not been fully made as of July 15, 2009. For each fund transfer not fully made as of July 15, 2009, the report shall list when the fund transfer will be completed or additional steps required to make the full fund transfer.

1 ~~Sec. 45. Senate Bill 1188, section 112, forty-ninth legislature, first~~  
2 ~~regular session, as transmitted to the governor, is amended to read:~~

3 ~~Sec. 112. Department of transportation; vehicle license tax;~~  
4 ~~transfer~~

5 ~~Notwithstanding any other law, \$76,789,600 \$43,170,600 received in~~  
6 ~~fiscal year 2009-2010 pursuant to title 28, chapter 16, article 3, Arizona~~  
7 ~~Revised Statutes, relating to vehicle license tax, for distribution to the~~  
8 ~~state highway fund pursuant to section 28-6538, subsection A, paragraph 1,~~  
9 ~~Arizona Revised Statutes, shall be deposited in the state general fund.~~

10 Sec. 46. Senate Bill 1188, section 113, forty-ninth legislature, first  
11 regular session, as transmitted to the governor, is amended to read:

12 Sec. 113. Appropriation reduction; water quality assurance  
13 revolving fund

14 Notwithstanding any other law, the appropriation from the state general  
15 fund to the water quality assurance revolving fund for fiscal year 2009-2010  
16 shall not exceed ~~\$9,000,000~~ \$7,000,000.

17 Sec. 47. Senate Bill 1188, section 120, forty-ninth legislature, first  
18 regular session, as transmitted to the governor, is amended to read:

19 Sec. 120. Department of economic security; lump sum reduction  
20 deferral; supplemental appropriation;  
21 appropriations

22 A. The appropriation made from the state general fund in fiscal year  
23 2008-2009 to the department of economic security is reduced by \$25,000,000  
24 from the state general fund to defer payments for services provided in fiscal  
25 year 2008-2009 to fiscal year 2009-2010.

26 B. In addition to the appropriation made in Laws 2008, chapter 285,  
27 section 6, the sum of \$9,400,000 is appropriated from the state general fund  
28 and \$12,000,000 in additional expenditure authority of federal monies is  
29 appropriated to the department of economic security in fiscal year 2008-2009  
30 for services to the developmentally disabled.

31 C. The sum of \$25,000,000 is appropriated from the state general fund  
32 to the department of economic security in fiscal year 2009-2010 for the  
33 purpose of paying bills for services provided in June 2009 with the monies  
34 appropriated by the legislature to the department for fiscal year 2009-2010.

35 D. The sum of ~~\$25,000,000~~ \$42,000,000 is appropriated from the state  
36 general fund to the department of economic security in fiscal year 2010-2011  
37 for the purpose of paying bills for services provided in June 2010 with the  
38 monies appropriated by the legislature to the department for fiscal year  
39 2010-2011.

40 Sec. 48. Senate Bill 1188, section 121, forty-ninth legislature, first  
41 regular session, as transmitted to the governor, is amended to read:

42 Sec. 121. AHCCCS; health plan payment deferral; appropriation

43 In addition to any other amounts appropriated to the Arizona health  
44 care cost containment system, for fiscal year 2010-2011, the sum of  
45 ~~\$117,889,100~~ \$118,032,200 is appropriated from the state general fund and

1 \$226,312,600 in federal title XIX expenditure authority for health plan  
2 payments deferred from fiscal year 2009-2010.

3 Sec. 49. Senate Bill 1188, section 122, forty-ninth legislature, first  
4 regular session, as transmitted to the governor, is amended to read:

5 Sec. 122. Federal assistance; reductions; appropriations

6 Notwithstanding any other law, if this state receives federal  
7 assistance through an increase in federal matching monies:

8 1. The following state general fund amounts are reduced from  
9 appropriations made to state agencies in fiscal year 2009-2010 as listed  
10 below:

11 (a) Arizona health care cost containment system - ~~\$575,206,900~~  
12 \$581,861,700.

13 (b) Department of economic security - \$100,644,600.

14 (c) Department of health services - \$133,171,600.

15 2. The following additional amounts are appropriated to state agencies  
16 in fiscal year 2009-2010 from federal title XIX expenditure authority as  
17 listed below:

18 (a) Arizona health care cost containment system - ~~\$575,206,900~~  
19 \$581,861,700.

20 (b) Department of economic security - \$100,644,600.

21 (c) Department of health services - \$133,171,600.

~~22 Sec. 50. Senate Bill 1188, section 124, forty ninth legislature, first  
23 regular session, as transmitted to the governor, is amended to read:~~

~~24 Sec. 124. Reductions; fiscal year 2009-2010; K-12 education;  
25 legislative intent; federal education stabilization  
26 fund~~

~~27 A. Notwithstanding any other law, if this state receives federal  
28 assistance from the federal education stabilization fund, the sum of  
29 ~~\$223,234,200~~ \$222,114,000 is reduced from appropriations made from the state  
30 general fund in fiscal year 2009-2010 to the department of education FOR  
31 BASIC STATE AID AND ADDITIONAL STATE AID and is transferred to the state  
32 general fund.~~

~~33 B. It is the intent of the legislature that in fiscal year 2009-2010,  
34 ~~\$223,234,200~~ \$222,114,000 will be disbursed from the federal education  
35 stabilization fund to the department of education in order to restore the  
36 funding reduction made in subsection A. These monies shall be disbursed in  
37 accordance with the provisions of the American recovery and reinvestment act  
38 of 2009.~~

~~39 C. NOTWITHSTANDING ANY OTHER LAW, FOR FISCAL YEAR 2009-2010, THE USE  
40 OF THE MONIES SPECIFIED IN SUBSECTION B SHALL NOT IMPACT THE REVENUE CONTROL  
41 LIMIT OF ANY SCHOOL DISTRICT OR CHARTER SCHOOL.~~

1 ~~Sec. 51. Senate Bill 1188, section 125, forty ninth legislature, first~~  
2 ~~regular session, as transmitted to the governor, is amended to read:~~

3 ~~Sec. 125. Reductions; fiscal year 2009-2010; higher education;~~  
4 ~~legislative intent; federal education stabilization~~  
5 ~~fund~~

6 A. Notwithstanding any other law, if this state receives federal  
7 assistance from the federal education stabilization fund, in addition to any  
8 other reductions made to the Arizona board of regents in this act, the sum of  
9 ~~\$19,514,600~~ \$10,000,000 is reduced from the appropriation made from the state  
10 general fund in fiscal year 2009-2010 to the Arizona board of regents for the  
11 support and maintenance of institutions under its jurisdiction and is  
12 transferred to the state general fund. On or before August 1, 2009, the  
13 Arizona board of regents shall report to the joint legislative budget  
14 committee the final allocation of the ~~\$19,514,600~~ \$10,000,000 reduction. The  
15 Arizona board of regents shall reduce funding to the institutions under its  
16 jurisdiction in proportion to the state general fund appropriation received  
17 by each institution.

18 B. It is the intent of the legislature that in fiscal year 2009-2010,  
19 \$146,000,000 will be disbursed from the federal education stabilization fund  
20 to the Arizona board of regents. part of which will restore the funding  
21 reductions made in subsection A. These monies shall be disbursed in  
22 accordance with the provisions of the American recovery and reinvestment act  
23 of 2009. On or before August 1, 2009, the Arizona board of regents shall  
24 report to the joint legislative budget committee the final allocation of the  
25 \$146,000,000 disbursement. The legislature intends that the Arizona board of  
26 regents allocate the \$146,000,000 disbursement in a manner that does not  
27 increase the differences in per student funding among the universities.

28 C. It is the intent of the legislature that in fiscal year 2009-2010,  
29 \$29,825,900 will be disbursed from the federal education stabilization fund  
30 to the Arizona community college system in order to partially restore the  
31 reductions in this act. These monies shall be disbursed in accordance with  
32 the provisions of the American recovery and reinvestment act of 2009. The  
33 legislature intends that the \$29,825,900 be distributed from the  
34 stabilization fund as follows:

- 35 1. Operating state aid: \$14,829,200
- 36 2. Capital outlay state aid: \$14,996,700

37 These amounts shall be distributed to each community college district  
38 based on the formulas in sections 15-1464 and 15-1466, Arizona Revised  
39 Statutes, using each community college district's fiscal year 2007-2008  
40 audited full time student equivalent count.

Sec. 52. Senate Bill 1188, section 126, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 126. Appropriation; operating adjustments

2009-10

State employee health insurance  
adjustments

~~\$ 10,000,000~~

\$ 21,815,300

Fund sources:

State general fund

~~\$ 10,000,000~~

\$ 14,998,000

OTHER APPROPRIATED FUNDS

\$ 6,817,300

THE OTHER APPROPRIATED FUNDS MAY BE ALLOCATED FROM THE FOLLOWING FUNDS:

BOARD OF ACCOUNTANCY FUND, ACUPUNCTURE BOARD OF EXAMINERS FUND, AIR PERMITS ADMINISTRATION FUND, AIR QUALITY FUND, ANTITRUST ENFORCEMENT REVOLVING FUND, BOARD OF APPRAISAL FUND, ARIZONA ARTS TRUST FUND, ASSURED AND ADEQUATE WATER SUPPLY ADMINISTRATION FUND, ATTORNEY GENERAL LEGAL SERVICES COST ALLOCATION FUND, ARIZONA AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM FUND, AUTOMOBILE THEFT AUTHORITY FUND, AUTOMATION OPERATIONS FUND, STATE AVIATION FUND, BOARD OF BARBERS FUND, BOARD OF BEHAVIORAL HEALTH EXAMINERS FUND, ARIZONA BENEFITS FUND, BOND FUND, CAPITAL OUTLAY STABILIZATION FUND, STATE CHARITABLE FUND, CHILD ABUSE PREVENTION FUND, CHILD FATALITY REVIEW FUND, CHILD SUPPORT ENFORCEMENT ADMINISTRATION FUND, CHILDREN'S HEALTH INSURANCE PROGRAM FUND, BOARD OF CHIROPRACTIC EXAMINERS FUND, CITRUS, FRUIT AND VEGETABLE REVOLVING FUND, CLEAN WATER REVOLVING FUND, COLLECTION ENFORCEMENT REVOLVING FUND, COMMERCE AND ECONOMIC DEVELOPMENT COMMISSION FUND, COMMERCIAL FEED FUND, CONFIDENTIAL INTERMEDIARY AND FIDUCIARY FUND, CONSUMER PROTECTION-CONSUMER FRAUD REVOLVING FUND, CORRECTIONS FUND, BOARD OF COSMETOLOGY FUND, CRIME LABORATORY ASSESSMENT FUND, CRIME LABORATORY OPERATIONS FUND, CRIMINAL JUSTICE ENHANCEMENT FUND, COURT APPOINTED SPECIAL ADVOCATE FUND, DEFENSIVE DRIVING SCHOOL FUND, DENTAL BOARD FUND, ARIZONA DEOXYRIBONUCLEIC ACID IDENTIFICATION SYSTEM FUND, BOARD OF DISPENSING OPTICIANS FUND, DRIVING UNDER THE INFLUENCE ABATEMENT FUND, DRUG AND GANG PREVENTION RESOURCE CENTER FUND, STATE EDUCATION FUND FOR COMMITTED YOUTH, STATE EDUCATION FUND FOR CORRECTIONAL EDUCATION, STATE EGG INSPECTION FUND, ELECTION SYSTEMS IMPROVEMENT FUND, EMERGENCY MEDICAL SERVICES OPERATING FUND, EMISSIONS INSPECTION FUND, ENVIRONMENTAL LABORATORY LICENSURE REVOLVING FUND, DEPARTMENT OF REVENUE ADMINISTRATIVE FUND, ARIZONA EXPOSITION AND STATE FAIR FUND, FEDERAL CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT, FEDERAL REED ACT GRANT, FEDERAL SURPLUS MATERIALS REVOLVING FUND, FEDERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT, FERTILIZER MATERIALS FUND, BOARD OF FUNERAL DIRECTORS' AND EMBALMERS' FUND, GAME AND FISH FUND, GAME, NONGAME, FISH AND ENDANGERED SPECIES FUND, HAZARDOUS WASTE MANAGEMENT FUND, HEALTHCARE GROUP FUND, HEARING AND SPEECH PROFESSIONALS FUND, STATE HIGHWAY FUND, ARIZONA HIGHWAY PATROL FUND, HIGHWAY USER REVENUE FUND, HIGHWAY USER REVENUE FUND FEES, BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS' FUND, HOUSING

1 TRUST FUND, DHS INDIRECT COST FUND, ADEQ INDIRECT COST RECOVERY FUND,  
2 INDUSTRIAL COMMISSION ADMINISTRATIVE FUND, INFORMATION TECHNOLOGY FUND,  
3 INTERAGENCY SERVICE AGREEMENTS FUND, INTERGOVERNMENTAL AGREEMENTS AND GRANTS,  
4 INVESTMENT MANAGEMENT REGULATORY AND ENFORCEMENT FUND, JUDICIAL COLLECTION  
5 ENHANCEMENT FUND, LAND CONSERVATION FUND ADMINISTRATION ACCOUNT, LIABILITY  
6 SET-OFF FUND, LONG-TERM CARE SYSTEM FUND, LONG-TERM DISABILITY ADMINISTRATION  
7 ACCOUNT, STATE LOTTERY FUND, ARIZONA MEDICAL BOARD FUND, MINERS' HOSPITAL  
8 FUND, MOTOR VEHICLE LIABILITY INSURANCE ENFORCEMENT FUND, MOTOR VEHICLE POOL  
9 REVOLVING FUND, NATUROPATHIC PHYSICIANS MEDICAL BOARD FUND, NEWBORN SCREENING  
10 PROGRAM FUND, BOARD OF NURSING FUND, NURSING CARE INSTITUTION ADMINISTRATORS'  
11 LICENSING AND ASSISTED LIVING FACILITY MANAGERS' CERTIFICATION FUND,  
12 OCCUPATIONAL THERAPY FUND, OIL OVERCHARGE FUND, BOARD OF OPTOMETRY FUND,  
13 BOARD OF OSTEOPATHIC EXAMINERS FUND, STATE PARKS ENHANCEMENT FUND,  
14 PENITENTIARY LAND FUND, PERSONNEL BOARD ACCOUNT OF THE PERSONNEL DIVISION  
15 FUND, PERSONNEL DIVISION FUND, PEST MANAGEMENT FUND, PESTICIDE FUND, ARIZONA  
16 STATE BOARD OF PHARMACY FUND, BOARD OF PHYSICAL THERAPY FUND, PODIATRY FUND,  
17 POSTSECONDARY EDUCATION FUND, PRISON CONSTRUCTION AND OPERATIONS FUND, BOARD  
18 FOR PRIVATE POSTSECONDARY EDUCATION FUND, PROFESSIONAL EMPLOYER ORGANIZATION  
19 FUND, ARIZONA PROTECTED NATIVE PLANT FUND, BOARD OF PSYCHOLOGIST EXAMINERS  
20 FUND, PUBLIC ACCESS FUND, PUBLIC ASSISTANCE COLLECTIONS FUND, STATE  
21 RADIOLOGIC TECHNOLOGIST CERTIFICATION FUND, RECORDS SERVICES FUND, RECYCLING  
22 FUND, REGISTRAR OF CONTRACTORS FUND, RESERVATION SURCHARGE REVOLVING FUND,  
23 RESIDENTIAL UTILITY CONSUMER OFFICE REVOLVING FUND, BOARD OF RESPIRATORY CARE  
24 EXAMINERS FUND, STATE RETIREMENT SYSTEM ADMINISTRATION ACCOUNT, RISK  
25 MANAGEMENT REVOLVING FUND, SAFETY ENFORCEMENT AND TRANSPORTATION  
26 INFRASTRUCTURE FUND, ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND FUND,  
27 SECURITIES REGULATORY AND ENFORCEMENT FUND, SEED LAW FUND, SOLID WASTE FEE  
28 FUND, SPECIAL ADMINISTRATION FUND, SPECIAL EMPLOYEE HEALTH INSURANCE TRUST  
29 FUND, SPECIAL SERVICES REVOLVING FUND, SPINAL AND HEAD INJURIES TRUST FUND,  
30 STATE AID TO THE COURTS FUND, ARIZONA STATE HOSPITAL FUND, STATE SURPLUS  
31 MATERIALS REVOLVING FUND, SUBSTANCE ABUSE SERVICES FUND, TEACHER  
32 CERTIFICATION FUND, TECHNICAL REGISTRATION FUND, TELECOMMUNICATIONS FUND,  
33 TELECOMMUNICATION FUND FOR THE DEAF, TOBACCO TAX AND HEALTH CARE FUND,  
34 TRANSPORTATION DEPARTMENT EQUIPMENT FUND, TRIBAL-STATE COMPACT FUND, USED OIL  
35 FUND, UTILITY REGULATION REVOLVING FUND, VEHICLE INSPECTION AND TITLE  
36 ENFORCEMENT FUND, STATE VETERANS' CONSERVATORSHIP FUND, STATE HOME FOR  
37 VETERANS' TRUST FUND, VETERINARY MEDICAL EXAMINING BOARD FUND, VICTIMS'  
38 RIGHTS FUND, VITAL RECORDS ELECTRONIC SYSTEMS FUND, WATERCRAFT LICENSING  
39 FUND, WATERFOWL CONSERVATION FUND, WATER QUALITY FEE FUND AND WORKFORCE  
40 INVESTMENT ACT GRANT.

41 State employee health insurance adjustments

42 ~~The amount appropriated for state employee health insurance adjustments~~  
43 ~~shall be deposited in the special employee health insurance trust fund for~~  
44 ~~fiscal year 2009-2010 increases in the employer share of state employee~~  
45 ~~health insurance premiums.~~ THE AMOUNT APPROPRIATED FOR STATE EMPLOYEE HEALTH

INSURANCE CONTRIBUTION ADJUSTMENTS SHALL BE FOR FISCAL YEAR 2009-2010 INCREASES IN THE EMPLOYER SHARE OF STATE EMPLOYEE HEALTH INSURANCE CONTRIBUTIONS. THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF SHALL DETERMINE AND THE DEPARTMENT OF ADMINISTRATION SHALL ALLOCATE TO EACH AGENCY'S OR DEPARTMENT'S EMPLOYEE-RELATED EXPENDITURES AN AMOUNT FOR THE EMPLOYER SHARE OF THE EMPLOYEE HEALTH INSURANCE ADJUSTMENTS. THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF SHALL ALSO DETERMINE AND THE DEPARTMENT OF ADMINISTRATION SHALL ALLOCATE ADJUSTMENTS, AS NECESSARY, IN EXPENDITURE AUTHORITY TO ALLOW IMPLEMENTATION OF STATE EMPLOYEE HEALTH INSURANCE ADJUSTMENTS.

Sec. 53. Senate Bill 1188, section 132, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 132. Interim reporting requirements

A. State general fund revenue for fiscal year 2008-2009, not including the beginning balance and including one-time revenues, is forecasted to be ~~\$8,403,873,200~~ \$8,404,873,200.

B. State general fund revenue for fiscal year 2009-2010, not including the beginning balance and including one-time revenues, is forecasted to be ~~\$8,224,391,100~~ \$8,382,972,500.

C. The executive branch shall provide to the joint legislative budget committee a preliminary estimate of the fiscal year 2008-2009 state general fund ending balance by September 15, 2009. The preliminary estimate of the fiscal year 2009-2010 state general fund ending balance shall be provided by September 15, 2010. The estimate shall include projections of total revenues, total expenditures and ending balance. The department of administration shall continue to provide the final report for the fiscal year in its annual financial report pursuant to section 35-131, Arizona Revised Statutes.

D. Based on the information provided by the executive branch, the staff of the joint legislative budget committee shall report to the joint legislative budget committee by October 15 of 2009 and 2010 as to whether that fiscal year's revenues and ending balance are expected to change by more than \$50,000,000 from the budgeted projections. The executive branch may also provide its own estimates to the joint legislative budget committee by October 15 of each year.

Sec. 54. OFFICE OF EQUAL OPPORTUNITY

		<u>2009-10</u>
FTE positions		4.0
Lump sum appropriation	\$	212,500
Fund sources:		
State general fund	\$	212,500

Sec. 55. ARIZONA COMMISSION OF INDIAN AFFAIRS

		<u>2009-10</u>
FTE positions		3.0
Lump sum appropriation	\$	126,600



1 Fund sources:

2 State general fund \$ 126,600

3 Sec. 56. Arizona water banking fund: interest: transfer

4 Notwithstanding any other law, the sum of \$5,400,000 from interest  
5 earnings on the Arizona water banking fund established by section 45-2425,  
6 Arizona Revised Statutes, is transferred to the state general fund on the  
7 effective date of this act.

8 ~~Sec. 57. Department of economic security: appropriation~~  
9 ~~reduction for fiscal year 2009-2010~~

10 Beginning January 1, 2010, ~~in addition to any other reductions made to~~  
11 ~~the department of economic security's fiscal year 2009-2010 appropriation,~~  
12 ~~the state general fund appropriation to the department of economic security~~  
13 ~~shall be reduced by \$(15,000,000) in fiscal year 2009-2010.~~

14 Sec. 58. Arizona judiciary: full-time equivalent positions:  
15 appropriation

16 In addition to any other appropriations of full-time equivalent  
17 position authority for the Arizona judiciary's fiscal year 2009-2010  
18 appropriation, the court of appeals is appropriated 6.3 full-time equivalent  
19 position authority and the superior court is appropriated 1.0 full-time  
20 equivalent position authority in fiscal year 2009-2010.

21 Sec. 59. Appropriations: state parks board: repayment

22 The sum of \$1,900,000 is appropriated from the state general fund in  
23 fiscal year 2009-2010 to the Arizona state parks board and shall be repaid to  
24 the state general fund from any available fund source no later than June 30,  
25 2010.

26 Sec. 60. Fiscal year 2009-2010 conditional appropriations

27 A. On or before December 15, 2009, the directors of the joint  
28 legislative budget committee and the governor's office of strategic planning  
29 and budgeting shall project the state general fund revenues for fiscal year  
30 2009-2010, which would include all state general fund revenues, not including  
31 the beginning balance, for fiscal year 2009-2010, including one-time revenues  
32 and revenues from any voter-approved temporary additional transaction  
33 privilege tax rate increment.

34 B. If the amount projected pursuant to subsection A of this section  
35 exceeds all budgeted state general fund revenues, not including the beginning  
36 balance, for fiscal year 2009-2010, including one-time revenues, the amount  
37 of the difference shall be allocated and appropriated from the state general  
38 fund as follows:

39 1. Fifty per cent of the amount of the difference shall be allocated  
40 to reduce the required net available proceeds of lease-purchase finance  
41 agreements by the department of administration in consultation with the state  
42 department of corrections in fiscal year 2009-2010, not to exceed  
43 \$217,000,000.

1           2. Fifty per cent of the amount of the difference shall be  
2 appropriated in proportion to the corresponding reductions or required  
3 distributions made, as follows:

4           (a) To the department of education for basic state aid that would have  
5 otherwise been apportioned to school districts statewide for fiscal year  
6 2009-2010 for the soft capital allocation prescribed in section 15-962,  
7 Arizona Revised Statutes, not to exceed \$175,000,000.

8           (b) To the department of education for additional assistance funding  
9 that otherwise would be apportioned to charter schools statewide for fiscal  
10 year 2009-2010 pursuant to section 15-185, subsection B, paragraph 4, Arizona  
11 Revised Statutes, not to exceed \$5,000,000.

12           (c) To cities and towns that receive vehicle license tax monies  
13 pursuant to section 28-5808, subsection A, paragraph 2, subdivision (c) and  
14 subsection B, paragraph 2, subdivision (c), Arizona Revised Statutes, and  
15 that are required to distribute a portion of those monies in fiscal year  
16 2009-2010 to local school districts, distributed based on the cities' and  
17 towns' relative population and not to exceed \$22,000,000.

18           (d) To the department of economic security for the state general fund  
19 appropriation reduction specified in section 57 of this act, not to exceed  
20 \$15,000,000.

21           C. On or before December 15, 2009, the directors of the joint  
22 legislative budget committee and the governor's office of strategic planning  
23 and budgeting shall jointly notify the governor, the president of the senate  
24 and the speaker of the house of representatives whether the amount projected  
25 pursuant to subsection A of this section exceeds all budgeted state general  
26 fund revenues, not including the beginning balance, for fiscal year  
27 2009-2010, including one-time revenues and, if so, the total excess amount.

28           D. If the report in subsection C of this section indicates a total  
29 excess amount of revenues, by December 25, 2009, the governor shall issue a  
30 public notice stating the amounts appropriated from the state general fund or  
31 allocated to reducing net available proceeds from lease-purchase financing at  
32 the levels indicated and for the purposes provided in subsection B, paragraph  
33 2 of this section.

34           Sec. 61. Conditional enactment

35           This act does not become effective unless Senate Bill 1188, forty-ninth  
36 legislature, first regular session, relating to making transfers and  
37 appropriations for the different departments of the state, for state  
38 institutions and for public schools, becomes law.

Passed the House June 30, 20 09

by the following vote: 33 Ayes,

26 Nays, 1 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

Passed the Senate July 1, 20 09

by the following vote: 16 Ayes,

12 Nays, 2 Not Voting

[Signature]  
President of the Senate

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

1<sup>st</sup> day of July, 20 09

at 8:09 o'clock A. M.

[Signature]  
Secretary to the Governor

Approved this 1<sup>st</sup> day of

July

at 11:07 o'clock A. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

H.B. 2643

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State